# Public and Private Welfare Activity in England

# Polina Obolenskaya Tania Burchardt

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For further information on the work of the Centre, please contact the Centre Manager, Jane Dickson, on:

Telephone:	UK+20 7955 6679
Fax:	UK+20 7955 6951
Email:	j.dickson@lse.ac.uk
Web site:	http://sticerd.lse.ac.uk/case

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## Abstract

This paper is the latest in a series of publications documenting the shifting boundaries of private and public welfare activity for the years 1979/80, 1995/96, 1999/00 and 2007/08, and now 2013/14. It records who finances, delivers and controls expenditure within the different welfare sectors: Health, Social Care, Education, Housing, and Income Maintenance (including pensions). We find that during the most recent period between 2007/08 and 2013/14, there has been further decline in the proportion of welfare activity that is publicly funded, controlled and provided and an increase in the proportion of privately funded, controlled and provided and an increase in the total welfare spending, it mostly was due to the rapid increase in the privately financed and provided welfare.

Key words: Private provision, public provision, welfare system, public expenditure, private expenditure, health, education, social security, housing, social care.

JEL classification: H40, H51, H52, H55

Corresponding author: Dr Polina Obolenskaya

## Introduction

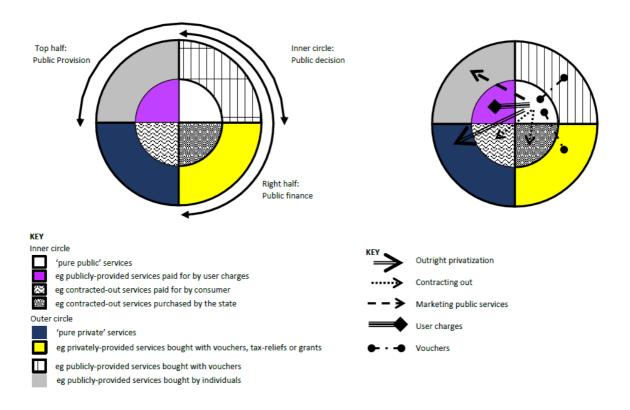
This paper offers an account of some of the changes in policy in relation to the role of the state and their consequences for the distribution of spending – public and private – on welfare activities between 1979/80 and 2013/14. Over this 34 year period, multiple governments have been in power, all with reforms which to some extent intended to diversify the welfare mix. The latest data point falls under the Coalition Government who committed to give private and voluntary sectors a much greater role in delivering public welfare services and do more on a local, self-organised basis, particularly in order to fill gaps left by the shrinking state. This was the 'Big Society' not 'big government' and the Coalition government announced a significant change of direction both in relation to overall public spending and in relation to the shape of the welfare state.

Evidence of the outcomes of these policies is presented in the form of new estimates of the distribution of total welfare spending (public and private) across different types of public and private welfare activity in England in 2013/14, compared to previous years. This paper continues the documentation of the balance between public and private sectors in welfare activity, which was originally described in Burchardt (1997) and followed by Smithies (2005), Edmiston (2011) and Hills (2011). Similarly to these previous publications, we describe the shape of welfare activity in the fields of health, social care (including both adult and children's social care), education, income maintenance (including social security and pensions), and housing at each time point. The spending figures in previous exercises were UK-wide with authors either explicitly using UK-wide expenditure figures or grossing up to the UK, based on spending for England or Great Britain multiplied by the relevant population proportions. Alongside policy divergence between countries in the UK has come divergence in data sources and definitions, making it increasingly difficult to draw meaningful comparisons, or to produce UK-wide statistics on public and private welfare activity. Accordingly, the figures presented below concentrate on England. In the comparisons across time below, we have recalculated figures for the previous years on an England-only basis.

## Methodology

In their original work, Burchardt (1997) and Burchardt, Hills and Propper (1999) conceptualised the dynamic between private and public actors in the operation of the welfare state in a framework that can be used to asses who delivers, finances and controls welfare services, each of which may be public or private, and may occur in any combination (Figure 1). The 'pure public' segment is what we might consider to be the traditional welfare state – tax-financed, provided by a publicly-owned and run organisation, and with little or no choice on the part of the beneficiary about how much or from whom to receive the service. Emergency treatment in an NHS hospital is an example. At the opposite quarters of the 'wheel of welfare', the 'pure private' sector is activity undertaken by individuals at their own initiative and purchased in the free market, such as private medical insurance. Other segments of the figure represent different combinations, for example, public finance of

private provision (such as adult social care contracted out to an independent provider), with the classification of the decision dimension varying according to whether the user has a care package arranged for them (public decision) or whether they have a direct payment or personal budget and make the choice over what and who to commission themselves (private decision).



#### **Figure 1: Wheels of Welfare**

The framework uses total spending (i.e. collectively financed spending and individual consumer spending) as a unifying metric in order to examine the distribution of overall welfare activity across the different segments.

The degree of regulation does however feature in both the 'provision' and 'decision' dimensions of the framework applied in this paper. The classification of providers as public or non-public is governed by the European System of Accounts 1995 (ESA95) and the key consideration is whether the body is controlled by central or local government, or by a public corporation (HM Treasury, 2013). Control is the ability to determine general corporate policy, through ownership, specific legislation, or regulation. This suggests that there are degrees of publicness, although in practice ONS (2012) provide a binary classification, and we follow that here. In any case, the degree of regulation to which *organisations* are subject helps to determine whether a provider is classified as public or independent.

Source: Burchardt and Obolenskaya (2016)

The degree of regulation to which a particular *activity* is subject is reflected in the decision dimension of our framework. The decision dimension applies three tests: to what extent can the end user choose *how much* to have, to what extent can they choose *who provides* the service, and to what extent are there *viable alternatives* (see Burchardt 2013 for a fuller discussion). These tests are intended to capture the degree of agency enjoyed by the user, including his/her chance of exit. A highly regulated activity is likely to restrict one or more aspects of agency as defined here and increase the likelihood that it will be classified as 'public decision'.

Finally, although the original framework distinguished only between public and 'private' (i.e. non-public) providers, in a number of areas, the involvement of not-for-profit providers has grown considerably since the late 1990s. It would therefore be desirable in principle to provide estimates of the split between for-profit and not-for-profit provision, and we provide a commentary on this below.

The areas of welfare activity included in the figures together comprise a significant proportion of overall welfare activity but we do not claim to have comprehensive coverage of the policy areas. For example we are not including area regeneration or employment policy. More detailed, sector-specific, analyses of the changing role of the state in England are available elsewhere, including on schools (Hicks, 2015), adult social care in the home (Hills, 2011; Glendinning, 2012), foster care (Sellick, 2011), healthcare (Powell and Miller, 2014; Vizard and Obolenskaya, 2015); housing (Hodkinson, 2011; Blessing, 2015); and pensions, (De Deken, 2013) while other aspects of the relationship between the public and private sectors, including the use of out-sourcing and joint ventures by local authorities, particularly for 'back room' functions such as ICT, human resources and estates are discussed in Smith and Jones (2015). Moreover, the estimates presented here are inevitably somewhat rough around the edges, drawn as they are from scores of different statistical sources, each using their own definitions and accounting practices, and requiring numerous judgements to be made about what to include and exclude (see description and notes on individual welfare areas). In some cases we have prioritised consistency with previous years over more comprehensive figures for the most recent year, and this may in turn produce inconsistency with other data sources. Additionally, the data points representing 1979/80, 1995/96, 1999/00, 2007/08 and 2013/14 are not evenly spaced over time. There are 16 years between the first two time points, and 4 years, 8 years, and 6 years, respectively, between the other three. This means that the observed change between the time points with fewer years in between might not be as large as between the time points with the longer time between them.

#### Private and Public activity across welfare sectors

In this section we explore the key components of welfare activity that are prevailing in each welfare area and some of the changes that took place which shifted the balance between private and public actors.

#### Education

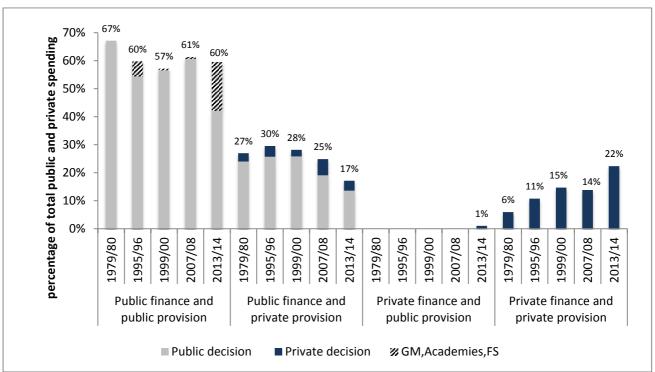
In education (Figure 2), there are judgements to be made about how to classify schools expenditure. ONS National Accounts classifies Academies and Free Schools (and their predecessors, Grant Maintained schools and City Technology Colleges) as public sector organisations. Although Academies and Free Schools do enjoy considerably more independence, for example in terms of admissions policies, teacher recruitment and curriculum, compared to local-authority community schools, in this paper we follow National Accounts' definitions and so treat these as public<sup>1</sup>. This decision clearly has significant implications for the description of both the outcomes in 2013/14 and the change since 2007/08. With academies and free schools treated as public (the bars including the chequered bars in Figure 2), the share of total education spending that is public finance and public provision has fallen from 67% to 60% over the whole period. But if they are excluded from public provision, the share of public finance and public provision is seen to have fallen by almost a half, from 67% to 42% – and the chequered section of the bars would move across to make a corresponding increase in the public finance, private provision segment.

As Figure 2 shows, even when including academies and free schools as public provision there is an overall downward trend in the role of public actors within education between 1979/80 and 2013/14 with a fall between 1979/80 and 1995/96 and a relative stability that followed (Figure 2). A particularly sharp fall can be seen in publicly financed and privately provided education: from 1999/00 onwards for publicly decided, and in the last period - for privately decided. The former is due to increasing withdrawal of grant funding for higher and further education, with the burden shifted to tuition fees and student loans. However, while public spending on Further and Higher Education has already fallen, much of the loan repayment has yet to occur, so we can expect to see further increases in the 'pure private' segment in years to come. So this was a clear shift from public to private financing – although the outcome for the figures on public spending depend on how the expected non-repayment of student loans is accounted for.

The decline in publicly financed and provided education is mirrored by the rise of the 'pure private' actors in the provision, finance and decision, which took place every year with the exception of 2007/08 during the period of this investigation. This is due to middle-class families increasingly choosing to top-up state schooling with private tuition. A particularly high increase in the out-of-pocket spending on education – consisting of further and higher education including fees - was between 2007/08 and 2013/14 whereby the spending went up by 76% in in real terms. This segment now accounts for one-fifth (22%) of all education spending, which was a mere 5.9% in 1979/80.

<sup>1</sup> 

Note that West and Nikolai (2013), for example, classify academies as government-dependent private schools because of their state funding but independence in terms of admission policies.



# Figure 2: The changing profile of welfare activity in education (England), 1979/80 to 2013/14

*Note:* The observations are not evenly spaced over time (x-axis), so care should be taken in comparing rates of change between periods.

The decline of the public role in education services described above is particularly clear for the 'public finance' and 'public decision' dimensions, when looking at the aggregate level of activity for public finance, provision and decision. Between 1979/80 and 1999/00, the share of 'public finance', 'public provision' and 'public decision' (which, in turn, meant 'pure public' segment also), all decreased by 10 percentage points or close to that figure (Figure 3). (The 'public provision' line lies almost exactly underneath the 'pure public' line, so is difficult to distinguish). In 2007/08, public finance and public provision saw an increase in the share in total welfare in education, which in turn meant that 'pure public' component increased from 57% in 1999/00 to 61% in 2007/09 and remained broadly stable thereafter. But 'public finance' and 'public decision' components continued to fall to 2013/14.

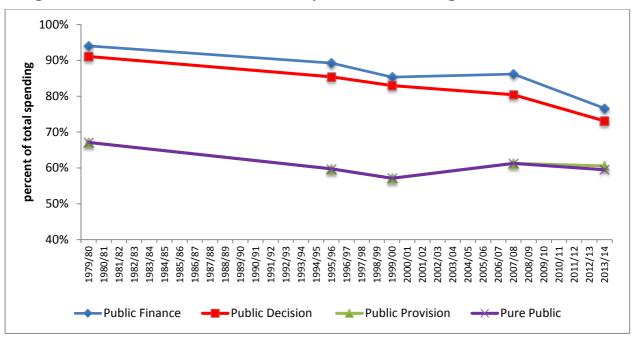


Figure 3: Public share of welfare activity in education (England), 1979/80 to 2013/14

#### Health

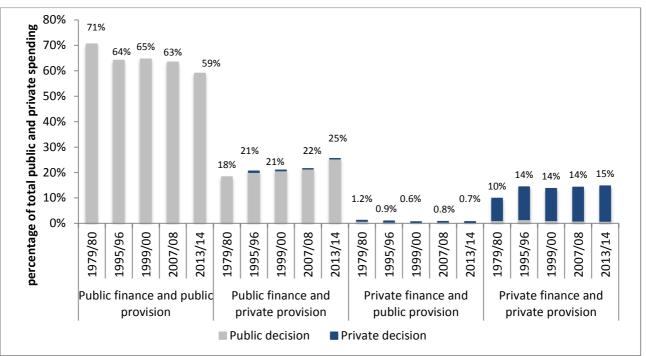
The 'public finance' of healthcare remains a dominant feature of welfare in health throughout the years between 1979/80 and 2013/14. While there was a decline in the share of 'pure public' healthcare provision, finance and decision with two visible falls in its share in 1995/96 and again in 2013/14 (Figure 4), it still remains the dominant segment, making up 59% of the total in the last data point (down from 71% back in 1979/80). The fall is despite the fact that, in accordance with National Accounts definitions, we continue to classify NHS Foundation Trusts, which have some degree of independence from the Department of Health, as public sector organisations.

While as noted above, the share of publicly financed public provision of healthcare has declined, the share of public finance of privately provided healthcare has increased. An expansion of contracting out of healthcare as well as increase in expenditure on GPs and NHS dentists, which are also treated as private providers, meant that the share of publicly financed private health provision has increased over the period. But the dramatic increase in contracted out services, which is evident in our 2007/08 and 2013/14 figures, is masked by a much larger, and more constant, expenditure on GPs and NHS dentists and a steady increase in the overall publicly financed and privately provided healthcare (Figure 4). Overall, publicly-funded, independently-provided healthcare (including GPs and dentists) now accounts for 25% of total health spending, compared to 22% in 2007/8. Within this, however, NHS purchase of non-NHS-provided healthcare grew by 65% in real terms between 2007/8 and 2013/14 (see Appendix, Table 2). Lafond et al (2014) gives a more detailed breakdown by type of service and type of provider.

Over the whole period, there was an increase in the share of 'pure private' spending on healthcare, with the largest increase between the first two observations, 1979/80 and 1995/96 (also the longest time interval). 'Pure private' expenditure includes private medical

insurance, out-of-pocket expenditure on medical services and over-the-counter medicines, healthcare products and hospital services, including services of general and specialist hospitals covering inpatient care (net of NHS private patients' income and NHS hospital charges). Since 1995/96, 'pure private' spending, a as a proportion of overall health spending, has remained more or less constant at 13%.

Figure 4: The changing profile of welfare activity in health (England), 1979/80 to 2013/14



Note:

1. The recording of expenditure on NHS hospital and community services changed between 2007-8 and 2013-14, creating a potential inconsistency in the time series on public finance and public provision. See Table 2 in Appendix for more details.

2. The observations are not evenly spaced over time (x axis), so care should be taken in comparing rates of change between periods.

Looking at the aggregate levels of activity for public finance, decision and provision only within healthcare, we see a clear reduction in the overall public share of welfare activity during the whole period, mostly due to a decline between the first two periods and the last two (Figure 5). There has been little change in terms of public share of finance and decision as a proportion of all spending on health following a decline between 1979/80 and 1995/96. But the share of 'public provision' and consequently the overall 'pure public' share have visibly declined in the mid-90s and again in 2013/14 following a period of relative stability in between.

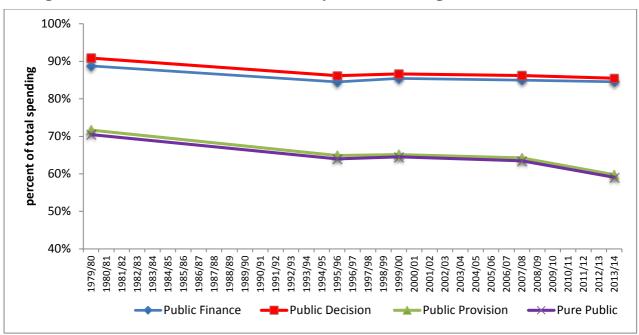


Figure 5: Public share of welfare activity in Health (England), 1979/80 to 2013/14

#### Housing

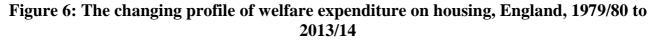
In housing spending, as in other welfare areas, we only consider current expenditure within the given year, and not capital spending. Here we include estimates for the current or imputed rental value of properties.

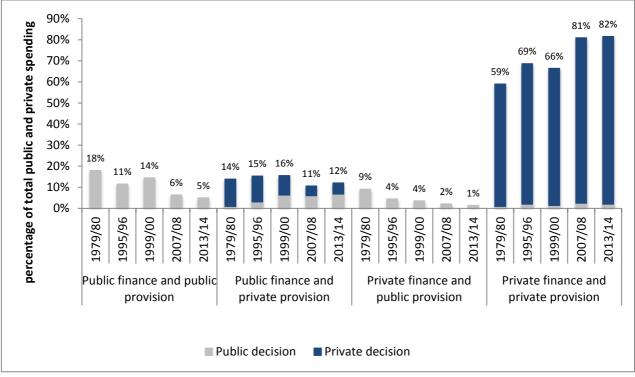
'Pure private' activity within housing is still by far the most dominant sector within expenditure. Its share increased consistently (with an exception of 1999/00) from around 58% in 1979/80 to 82% in 2013/14 (Figure 6). The rapid increase in 'pure private' welfare activity between 1999/00 and 2013/14 is partly due to the expansion of owner occupation and the increasing market value of their properties from the 1990s. This is reflected in the increase in estimated owner-occupiers' imputed rents and spending on repairs and maintenance (the market value of renting the property people own, net of Right-to-Buy discount and income support for mortgage interest, as well mortgage interest tax relief for earlier years). Additionally, the increase in the 'pure private' sector of housing is also due to an increase in spending on private renting (net of housing benefits) in the last two periods – when home ownership was declining after the recession (DCLG 2015).

The increase in the 'pure private' segment is mirrored by the fall in the share of 'pure public' activity from 18% to 5% over the whole period, mainly due to the dramatic fall in public spending on subsidies for social housing. This was accompanied by a reduction in private spending on social housing (aggregate rent paid directly by council tenants) – reducing the share of 'private finance and public provision' from 9.1% to 1.4% gradually since 1979/80.

We also observe a fall in publicly funded and privately provided housing services from 14% to 12% between 1979/80 and 2013/14, with a fall in privately controlled provision of such expenditure (from 13% to 5%), and an increase in publicly controlled provision (from 0.9% to 7%). Housing associations are classified as non-public organisations by ONS and tenants

in this sector also receive significant public subsidy through subsidised rents and Housing Benefit, classified as 'public finance and private provision' with an element of public decision. The spending on this grew in real terms and also as a proportion of overall spending, with a slight fall in the last period. Other components of public finance for private provision, classified as private decision, include Housing Benefit for private rents, and the estimated costs of Right to Buy discounts. These grew in real terms since 1979/80, but their share of the overall spending on housing fell from 13% to 5% over the period. The fall in private decision within this activity fell mainly due to a decline in spending on the Right to Buy scheme and the abolition of the mortgage interest tax relief in 2000. It is worth noting the change in methodology in calculating the costs of Right to Buy discount across the years of data (see Appendix, Table 3). Public 'decision' within the 'public finance and private provision' activity increased mainly due to expansion of expenditure on housing benefits for, and economic subsidy to, Housing Authority tenants.





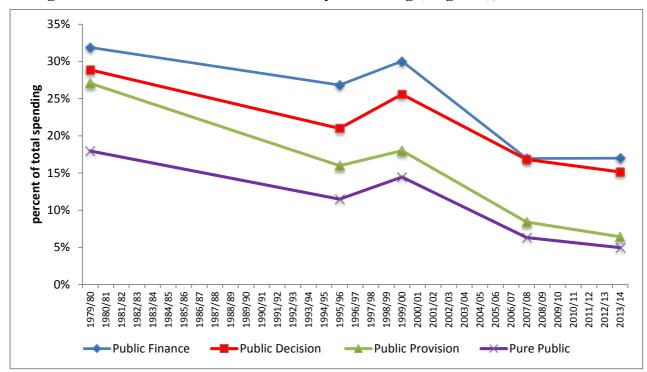
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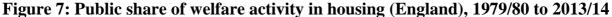
1. Results sensitive to method for calculating economic subsidy enjoyed by Local Authorities and Housing Association tenants and Right to Buy beneficiaries. For 2007/08 and 2013/14 these are based on calculations in Hills (2007). For more on methodology and further description of the expenditure breakdown see Table 3 in Appendix.

2. The observations are not evenly spaced over time (x axis), so care should be taken in comparing rates of change between periods.

Looking at the aggregate levels of activity for public finance, decision and provision within housing, we see a dramatic reduction in the overall public share of welfare activity during the whole period –although the figures need to be treated with some caution due to inconsistencies in the way economic subsidies to local authority and housing association

tenants, and Right to Buy beneficiaries, have been calculated. (This is likely to explain the spike in 1999/00. For details see notes to Table 3 in the Appendix). Already the welfare area with the smallest proportion of public activity in the 1979/80 (across the areas we are looking at here), this share declined even further between each year observed apart from the mid-90s to late-90s (Figure 7). It is particularly the share of 'public provision' of housing (regardless of 'finance' and 'decision') that had fallen the most: from 27% in 1979/80 to just under 4% in 2013/14.





*Note*: Results sensitive to method for calculating economic subsidy enjoyed by Local Authorities and Housing Association tenants and Right to Buy beneficiaries. For 2007/08 and 2013/14 these are based on calculations in Hills (2007). For more on methodology and further description of the expenditure breakdown see Table 3 in Appendix .

#### Income maintenance including social security

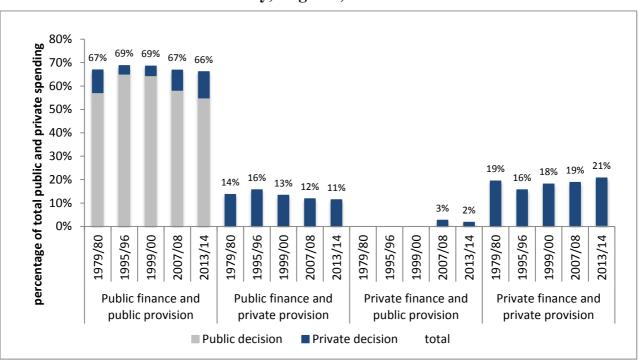
In this area of welfare activity we allocate payments made to, or payments made by, individuals but we do not include the costs of administration. As a result, these figures do not include the shift towards greater use of independent contractors to carry out benefit assessments and provide welfare to work services. However the costs of administration are a tiny fraction of the programme costs of social security and pension contributions so their inclusion would unlikely to change the overall trends significantly.

The share of public and private activity within income maintenance and social security (i.e. including pensions and benefits), appears the most stable over the period between 1979/80 and 2013/14 compared to other areas of welfare considered here. There has, however, been some noticeable change in the 'decision' involved in the provision and finance of these services. While public finance and provision form the majority of the social security activity, the proportion of public control of this expenditure, so-called 'pure public', has fallen while

private decision within publicly funded and provided services increased in the 2000s (Figure 8). This is despite a sizeable increase in real expenditure on Child Tax Credit and Working Tax Credits in 2013/14 (considered to be public 'decision'). But its share within income maintenance fell, while the share of 'private' decision has increased due to increases in SERPS/State second pension and contributions to civil service and teachers' occupational pensions.

'Pure private' provision of income maintenance, which includes private individuals' contributions to funded occupational and private pensions as well as private 'welfare' insurance consisting of long-term care and stand-alone critical illness. We might also like to add provision by food banks and other voluntary income support, but despite recent increases, the scale remains very small by comparison to formal social security. In 2013/14, an estimated 20 million meals were provided by foodbanks in the UK, a total value of perhaps £40m, or 1/100<sup>th</sup> of a percent of total spending on income maintenance.

It is important to note that there is some inconsistency in these figures. Our figures show an increase in the absolute amount of private finance of publicly provided social security (though not an increase in the overall proportion), which is the result of a new entry in our data for payments for occupational pensions (unfunded) by employees from 2007/08 due to the change in methodology for estimating private and occupational pensions implemented by ONS (2012). The new ONS (2012) figures now show finer breakdowns, not available at the time of putting together previous estimates within this exercise (e.g. in Edmiston, 2011) and we were only able to update the last two data points (see Notes in Appendix, Table 4 for more details). Since expenditure on payments for pensions comprise a large part of social security spending, these changes in methodology have a noticeable impact on the trends reported in Figure 8 and so these should be treated with caution.

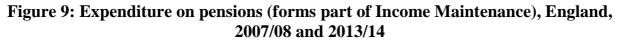


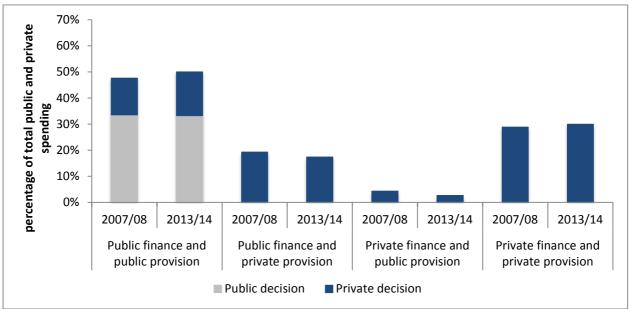
# Figure 8: The changing profile of welfare expenditure on income maintenance and social security, England, 1979/80 to 2013/14

#### Notes:

1. ONS (2012) produced an improved methodology for estimating private and occupational pension contributions, incorporated here in the figures for 2007/08 and 2013/14 but not for earlier years. This implies a significant inconsistency with previous years, so the longer time series should be interpreted with caution. 2. The observations are not evenly spaced over time (x axis), so care should be taken in comparing rates of change between periods.

Payments for pensions are based on pension contributions, not pensions in payment, with the exception of the basic state pension where it is assumed that the relevant 'contributions' are the tax and NI contributions funding the current basic state pension. In 2013/14, public finance and public provision of pension payments makes up half of the total pension spending, representing a 2.5 percentage point increase between 2007/08 and 2013/14, due to the a small increase in the proportion on the privately decided expenditure (contributions to the State Second Pension (S2P) and employer contributions to unfunded occupational pension schemes) from 14% to 17%. The proportion spent on the pure public component of the public finance and public provision bars (spending on basic state pension) in Figure 9, shows almost no change between 2007/08 and 2013/14 (34% and 33%, respectively). The degree of choice in second-tier pensions and the portability of public funding in the form of tax reliefs across schemes, means that the public finance and private decision segments are unusually large compared to their size in other areas of welfare activity, whether in relation to public provision (state second pension and public sector pensions) or private provision (personal pensions and funded occupational pensions).





*Note:* See note to Figure 8 and Appendix for earlier years and data notes.

Aggregate figures for the whole of welfare activity in income maintenance show that after an increase in the proportion of social security attributed to public finance in the mid-90s, the share of activity within public finance has fallen slightly below the levels of 1979/80: from 81% in 1979/80 to 77% in 2013/14 (Figure 10). During this time, the share of public provision remained broadly the same over time (67% in 1979/80 and 68% in 2013/14) and public decision fell (this could partially be attributed to the change in methodology mentioned above which meant an increase in private decision of publicly provided and funded pensions spending between in 2007/08 and 2013/14). Consequently, between 1979/80 and 2013/14 the share of 'pure public' activity in income maintenance fell slightly from 57% to 55%.

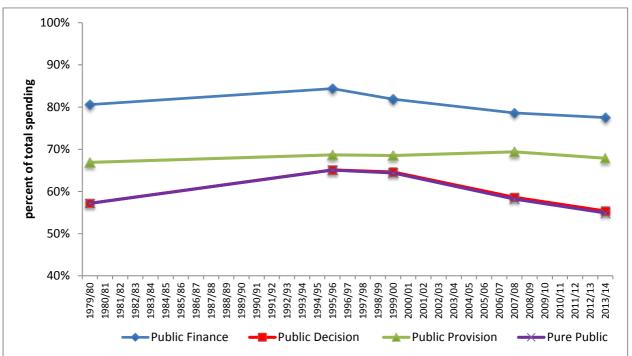


Figure 10: Public share of welfare activity in Income Maintenance and Social Security (England), 1979/80 to 2013/14

*Note*: See note to Figure 8 and Appendix.

#### Social Care

Welfare activity within social care includes current expenditure on both adult social care and services for children and young people (previously known as children's social care). A dramatic shift from the public provision of social care services to contracted out care occurred between 1979/80 and 1995/96 shown by the fall of 'pure public' provision and the rise of 'public finance and private provision' (Figure 11). Between 1979/80 and 2013/14, the share of 'pure public' provision of social care (services provided by Local Authorities and NHS) fell from the largest share 66% to the smallest in 2013/14 - 26%, while the share of 'public finance and private provision' (services commissioned and paid for by Local Authorities but provided by independent organisations) increased from 10% to 35% - to become the largest share of social care provision in 2013/14. The majority of the shift took place between 1970/89 and 1995/96 but there was another notable shift in the same direction after the recession with a further decline in services paid for and provided by Local Authorities and an increase in those contracted out (Burchardt and Obolenskaya, 2016).

The gap left by reductions in public spending have not mainly been filled by increases in user charges, for either public or private provision. There has, however, been an increase in spending by individuals and families on privately arranged and provided care, as represented by the 'pure private' segment. Although the sources are not entirely consistent over time<sup>2</sup>,

<sup>&</sup>lt;sup>2</sup> The 2013/14 figure is for private spending on all privately-arranged adult social care. Data sources for the earlier years were for spending of this kind on older people only; we have used the percentage of all adult social care spending that is on older people to adjust the figures for earlier years. proportionately. See appendix for details.

there appears to have been an increase of around one-quarter in pure private spending in real terms between 2007/8 and 2013/14, with the result that by the end of the period and for the first time in this series, the 'pure private' segment accounted for a larger share of all spending (28%) than the 'pure public' (26%). Aside from the increase in private spending on social carer, another possible response to the cuts in publicly financed services that is not reflected in these figures is an increase in unpaid (or 'informal') care, which is not covered in this paper.

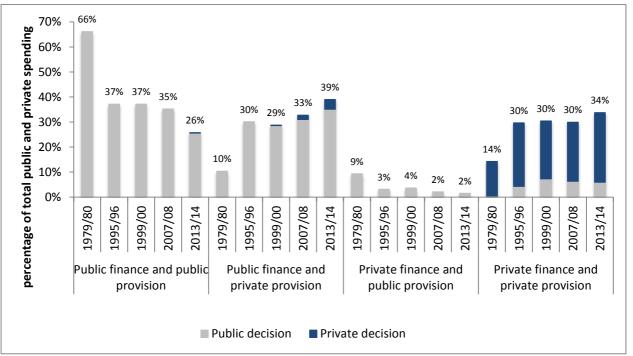


Figure 11: The profile of welfare expenditure on social care, England, 1979/80 to 2013/14

*Note:* The observations are not evenly spaced over time (x axis), so care should be taken in comparing rates of change between periods.

On the aggregate level, we can see a dramatic fall in publicly provided care (whether publicly or privately paid for) as a share of total activity within social services even more clearly, reducing over the whole period from 75% to just over 25% with sharp falls between 1979/80 and mid-90s and then again in the period since the recession (Figure 12).

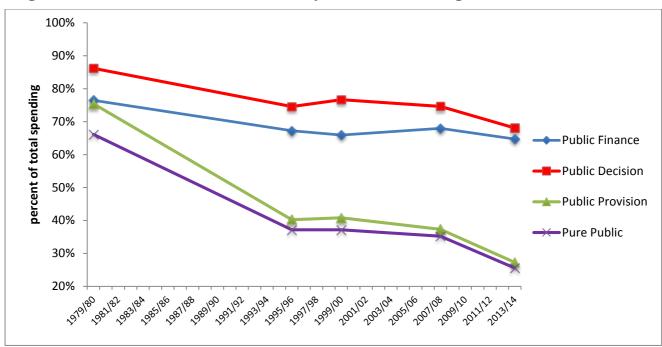


Figure 12: Public share of welfare activity in social care (England), 1979/80 to 2013/14

## **Overall Private and Public Welfare Activity**

The role of private actors in Housing has always been very large, increasing particularly sharply in the last two periods (see Figure 6). This means including these figures in the total welfare spending substantially skews the proportional spending towards private activity. Excluding housing spending from the total welfare mix would therefore enable for a more accurately assessment of the extent of the shifting boundaries between private and public actors in welfare activity. Figure 13 (a) and (b) therefore shows public and private activity within total welfare spending with and without housing used in calculations.

Ignoring the decision element of welfare provision for a moment, we see similar patterns emerging in the figures including and excluding housing: the share of public provision and finance has fallen while the share of the private provision and finance has increased during the whole period, particularly sharply if housing figures are included in the overall welfare calculations. Over the whole period, the public finance and provision (including housing) went down from 57% to 44%<sup>3</sup> and private finance and provision went up from 25% to 39% (Figure 13a). When we exclude housing from the total welfare activity figures, the share of public finance and provision falls more gradually: from 68% to 60% and private finance and provision shows a slower increased from 15% to 21% (Figure 13 (b)). And again, while it is in line with the longer-term trend, taking into account the uneven spacing of the years for which the figures have been calculated, the most recent period looks to show a faster pace of change than previous years.

<sup>&</sup>lt;sup>3</sup> This is the case when we classify the academies and free schools as public provision and if they were to be reclassified as private provision, the decrease in public spending on public provision to 2013/14 would be even sharper.

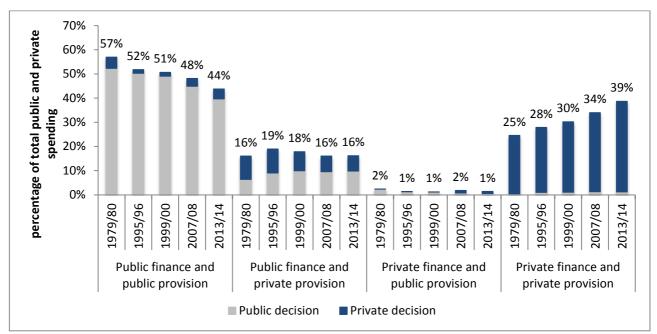
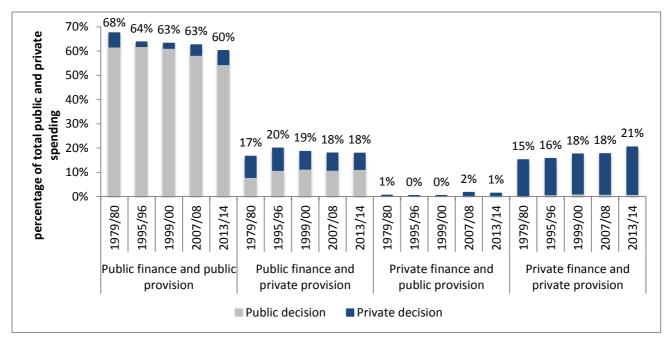


Figure 13: The changing profile of total welfare activity in England, 1979/80 to 2013/14 a) including housing

# *Note:* The observations are not evenly spaced over time (x axis), so care should be taken in comparing rates of change between periods.



#### b) excluding housing

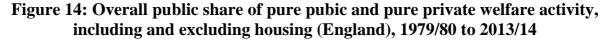
*Note:* The observations are not evenly spaced over time (x axis), so care should be taken in comparing rates of change between periods.

Moving on to the 'decision' of the welfare provision, our results show that pubic decision (of both publically provided and funded welfare activity) was dominating the welfare provision in 1979/80 with 62% of decisions being publicly made, which fell to 51% in 2013/14, making it an equal share with the publicly made decisions. Excluding housing, public decision makes up a larger share of total activity, and falling only marginally from 70% to 67%.

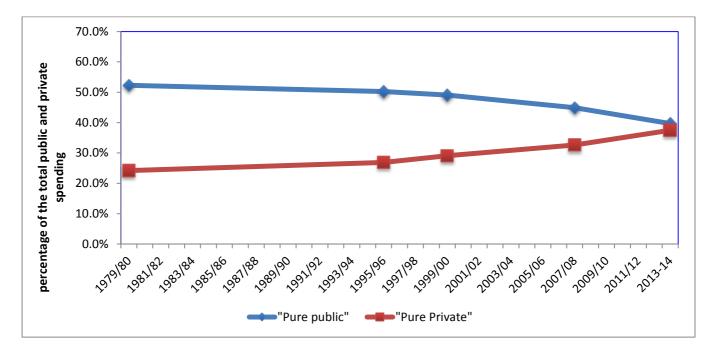
Perhaps surprisingly, public finance of private provision (such as contracting out) remained at around 16% of total welfare spending over this period, although as we see in Table 1 below, expenditure on it has increased in real terms.

While changes to the share of public and private activity shown in Figure 13 appear relatively steady over the period between 1979/80 and 2013/14 as the data points are not evenly spaced out. Taking that into consideration and looking at the changes to pure public and pure private activity in Figure 14 we see an acceleration of trends towards the end of the period.

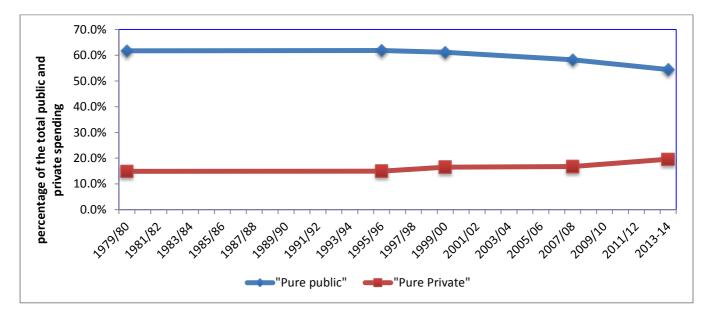
The trends in pure public and private activity in figures that include and exclude housing show a very different picture. The share of pure public activity fell and the share of pure private activity had increased to be almost at the same level (40% and 38% respectively) between 1979/80 and 2013/14 when housing in included in the calculations (Figure 14a). This is in stark comparison with the start of the period where under a quarter of welfare activity could be attributed to 'pure public' and over a half – to 'pure private'. The fall in pure public and the rise in pure private activity was particularly sharp between 2007/08 and 2013/14 – the second shortest time period between data points considered in this paper. The combined share of 'pure public' and 'pure private' activity of total welfare (which also includes various combinations of public and private provision, finance and decision) had remained broadly at the same level between 1979/80 and 2013/14 (76% and 78% respectively). A picture of the overall share of pure public and pure private activity change, excluding expenditure on housing, shows a similar pattern: the fall in pure public and rise in pure private activity over the years (Figure 14b). However, the difference in the share of the welfare by the pure public and private activity remains wider than when housing is included in the overall welfare calculations.



#### a) including housing



#### b) excluding housing



Aside from the noticeable changes in terms of proportion of welfare spending that is attributed to shrinking public and growing private sources and providers over the course of 34 years explored in this paper, what is striking is the absolute growth in welfare activity over the period. Including Housing, welfare activity increased in real terms from £225.0 billion to £694.5 billion; from 26% of GDP in 1979/80 to almost 40% of GDP in 2013/14. Further details on the results for overall welfare activity are provided in Table 7 in the Appendix.

	1979/80		199	5/96	1999	1999/2000		7/08	2013/14	
	£bn	% total	£bn	% total	£bn	% total	£bn	% total	£bn	% total
Health	33.3	14.8	63.6	17.1	77.3	18.4	115.2	18.7	120.6	17.4
Personal Social Care	6.7	3.0	21.9	5.9	25.4	6.1	35.7	5.8	37.3	5.4
Education	29.8	13.3	45.0	12.1	46.0	11.0	73.1	11.9	79.5	11.4
Income maintenance	106.9	47.5	155.2	41.8	162.8	38.8	234.3	38.0	250.2	36.0
Housing	48.2	21.4	85.4	23.0	108.4	25.8	158.4	25.7	206.9	29.8
Total	225.0	100.0	371.1	100.0	419.9	100.0	616.7	100.0	694.5	100.0
% of GDP	26.1%		30.4%		30.4%		35.6%		39.6%	

#### **Table 1: Total spending**

Notes: see a full breakdown of spending in Appendix Tables

#### Conclusion

This paper has been a continuation of work over a period of decades to explore the shifting boundaries of private and public welfare activity. Despite some data complications (such as changes in the way it is reported) and unavoidable inconsistencies, we show that on the whole, there has been a continuation of the trend seen in previous years: a gradual increase in the pure private and a decline in the public welfare activity, shifting the burden of welfare towards individually financed means. What is noteworthy is that despite Coalition's high profile reforms to diversify the welfare mix, the trend to 2013/14 is not that of a rapid change but rather a moderate acceleration of a previous course.

However, as we have shown, these are trends that are not uniform across the policy areas. Interestingly, while the overall share of 'contracted out' public services (publicly financed but privately provided) in 2013/14 was at the same level as in 1979/80, despite a real increase in spending over the years, it is masking a noticeable shift in the share of publicly financed and privately provided welfare in the areas of Social Care and Health. While provision of Health and Income Maintenance still remains dominated by the 'pure public' welfare activity (with a noticeable shift towards privately funded and provided services in Health), spending on Social Care saw a turnaround with 'pure public' activity accounting for a smaller share than the 'pure private' in 2013/14 for the first time in the series. Housing remains increasingly reliant on the 'pure private' activity. In Education, despite big reforms and because Academies and Free Schools remain classified in National Accounts as public organisations, this area is largely characterised by 'pure public' activity, albeit with a reduced 'degree of publicness' and an increase in private provision and finance due to the shift from grant to tuition fee loans in higher education.

Over the 34 year period there was considerable growth in real expenditure in all the sectors, trebling of spending on public and private welfare over the period between 1979/80 and 2013/14. However, most of it was due to a significant increase in the privately financed welfare. So while there has certainly been a lot of activity in the shifting boundaries of public and private welfare within each policy areas we looked at, for the welfare activity on the whole the changes were less mixed and more clearly signposted by the decline of pure public activity and the increase of pure private expenditure and finance, with a slight acceleration in the last period.

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# Appendix

Please note, the commentary and references provided in these tables are related to the most recent data (2013/14) unless otherwise specified. Should the reader wish to know more about the previous years' notes, please consult Burchardt (1997); Smithies (2005) and Edmiston (2011).

The adjustment factors for UK/GB to England spending figures, where relevant, were calculated using the ratios of UK/GB to England populations, using the mid-2013 population estimates from ONS (2015). Below are the adjustment factors the figures were multiplied by for different years to adjust to England's values.

	1979/80	1995/6	1999/2000	2007/2008	2013/14
UK to England	0.830334583	0.833841737	0.835535509	0.83792978	0.840265374
GB to England	0.853528855	0.858233246	0.860144828	0.862715632	0.86495418

#### Table 1 Education

Category	Description	1979/80	1995/96	1999/00	2007/08	2013/14	Notes	References (2013/14 data)
	State primary and secondary schools	15,322	19,935	21,229	36,127	24,064	Local Authority current expenditure on primary and secondary schools. Includes sixth form colleges in 1979/80.	EFA (2014)
Public provision, finance and decision	Pre-primary education			43	1,615	1,350	Separate entry for independent provision for under 5s was available for previous years. Expenditure for 2013/14, had no separate entry for independent provision for under 5s. Estimates for public provision are made by apportioning a proportion of spending on under 5s to indep/private providers as per Number of 2-, 3- and 4-year-old children benefitting from funded early education places by type of provider. This resulted in 55% of expenditure being in maintained and special schools and the rest (45%) - mainly in private and voluntary providers but also in independent schools.	DfE (2015a) EFA (2014)
	Grant-maintained schools; Academies; Free Schools	0	2,349	200	495	13,878	This entry was moved from "private provision, public finance and private decision" to here during current exercise and includes expenditure on Grant Maintained Schools and Academies. Changes in funding arrangements in 1999/00 effectively abolished Grant Maintained (GM) status; the 1999/00 figure is composed of spending on the transition of former GM schools into the new schools framework, and some pre- approved capital projects expenditure for these schools. After the abolition of grant- maintained status, the only remaining schools directly funded by central government were the 15 City Technology Colleges. In 2000 the Labour government introduced a new kind of directly funded school, the City Academy, later renamed Academy. Academies and Free Schools are not under local education authority budgetary control, and have the freedom to set their own curriculum, to vary school hours and term dates, and to negotiate their own staff pay and conditions (Free Schools can employ non-qualified teachers as teachers). They remain, however, publicly funded, non-fee-paying, and bound by the admissions code, and as a last resort, the Secretary of State may intervene directly (as for example following the concerns raised about promotion of Islamic extremism in some Birmingham Academies in 2014). For these reasons, ONS classifies them as public sector bodies – under central government rather than local government Includes: 'General Annual grant Funding', 'Free Schools' and 'Academies and Free Schools' from the Programme Costs in the Departmental Report 2013-14, and also includes 'top-up funding for high needs expenditure to academies, free schools and colleges' reported in Section 251 (Education Funding Agency 2014)	DfE (2015b) EFA (2014)
	City Technology Colleges	0	83	66	4	0	By 2013/14, all but 3 CTCs had been converted into Academies. The three CTCs are included in the Academies income and Expenditure as reported by DfE.	
	Special schools	940	1,531	1,646	2,014	2,999	Local Authority expenditure on special schools	EFA (2014)
						0		

	Meals & transport	2,106	0	0	0	0	Local Authority current expenditure. Assumed to be public provision in 1979/80.	
	Teachers centres, child guidance & pupil support	0	738	1,533	2,561	3,869	Local Authority expenditure, includes hospital education for 2013/14. But, unlike for previous year, direct payments are not included for 2013/14 as can be considered a private decision.	EFA (2014)
	Miscellaneous	1,638	2,258	1,560	1,993	1,112	Local authority and central government current expenditure. Includes research, administration and inspection, assisted places scheme, OFSTED. Assisted places no longer exist, so not included in in 2013/14 data.	EFA (2014)
	TOTAL	20,007	26,894	26,277	44,808	47,272		
	Percent of grand total	67.1%	59.7%	57.1%	61.3%	59.5%		
Public provision	SEN direct payments (SEN and Disability)					2	Local Authority expenditure on Direct Payment (SEN and Disability) - new entry for 2013/14	EFA (2014)
and finance,								
private decision	TOTAL	0.0	0.0	0.0	0.0	2.4		
	Percent of grand total	0.0%	0.0%	0.0%	0.0%	0.0%		
Public provision,	TOTAL	0	0	0	0	0		
private finance, public decision	Percent of grand total	0.0%	0.0%	0.0%	0.0%	0.0%		
Public provision, private finance,	Academies (non- government income)	0	0	0	0	834	New entry for 2013/14 data. Academies income from non-government sources and self-generated - calculated from the Government Funding from Academies Trusts expenditure.	DfE (2014)
private decision	TOTAL	0	0	0	0	834		
	Percent of grand total	0.0%	0.0%	0.0%	0.0%	1.0%		
Private provision, public finance	Non-maintained school fees	518	320	383	663	835		EFA (2014)
and decision								

	Voluntary, non- maintained special, music & ballet schools	177	178	289	193	95	Central government grants	DfE (2015b), Table 5.
	National Grid for Learning	0	0	71	0			
	Meals & transport	0	1,198	1,208	1,329	1,097	Local authority current expenditure. Assumed to be contracted-out.	EFA (2014)
	Higher and further education	6,457	9,862	9,942	11,824	8,769	Funding body grants plus research grants and contracts.	Higher Education Statistics Agency (online)
	TOTAL	7,152	11,557	11,892	14,009	10,796		
	Percent of grand total	24.0%	25.7%	25.9%	19.2%	13.6%		
	Assisted places scheme	0	166	154	-	-	Abolished	
Private provision,	Pre-primary education	0	0	201	2,590	1,105	2-4 year old places in private nurseries and independent schools. Calculated by apportioning a % of spending on under 5s to indep/private providers as per number of 2-, 3- and 4-year-old children benefitting from funded early education places by type of provider (DfE 2015). this comes up to 55% in maintained and special schools and the rest (45%) is mainly in private and voluntary providers but also in independent schools.	DfE (2015a) EFA (2014)
public finance, private decision	Higher and further education	888	1,560	735	1,612	1,694	Local Authority and central government grants to institutions. Includes Higher Education Grant, Tuition Fee Grants and Maintenance and Special Support Grants. Includes teacher training, Funding body grants, research grants and contracts and EMA for previous years.	Student Loan Company (2014) EFA (2015)
	TOTAL	888	1,726	1,090	4,202	2,798		
	Percent of grand total	3.0%	3.8%	2.4%	5.7%	3.5%		
Private provision								
and finance,	TOTAL Dercent of grand	0	0	0	0	0		
public decision	Percent of grand total	0.0%	0.0%	0.0%	0.0%	0.0%		

Private provision, finance and decision	Consumer expenditure	1,769	4,840	6,743	10,099	17,754	UK: Household consumption of education from ONS 2014. The education consumption is using the COINCOP classification (http://unstats.un.org/unsd/cr/registry/regcst.asp?CI=5) and includes the following items: Pre-primary and primary education (Includes: literacy programmes for students too old for primary school), lower-secondary and upper-secondary education (Includes: out-of-school secondary education for adults and young people), post-secondary non- tertiary education, (Includes: out-of-school post-secondary non-tertiary education for adults and young people), first stage and second stage of tertiary education (Educational programmes, generally for adults, which do not require any special prior instruction, in particular vocational training and cultural development), excludes: driving lessons; recreational training courses such as sport or bridge lessons given by independent teachers	ONS (2014)
	TOTAL	1,769	4,840	6,743	10,099	17,754		
	Percent of grand total	5.9%	10.8%	14.7%	13.8%	22.3%		
	GRAND TOTAL	29,815	45,017	46,001	73,118	79,457		
	Percent	100.0%	100.0%	100.0%	100.0%	100.0%		

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		1		1					
Colour	Category	Description	1979/80	1995/96	1999/00	2007/08	2013/14	Notes	References for 2013/14 data
White		NHS hospital and community services	19,356	35,764	42,016	62,651	61,657	NHS Commissioning (England): Operating Costs, net of NHS patient charges, private patients' payments, acute medical care purchased by NHS and contracted-out ancillary services. From 2013 there was a change in the organisational structure of the NHS, which saw a move from PCT allocations in previous years to NHS commissioning Board. This in turn resulted in a change in the way the spending was reported: whereas there was a clear sub- category for "NHS hospital and community services" spending under the PCT operation costs, this breakdown was not available within the NHS Commissioning Board's Operating Expenses. The changes between 2007/8 and 2013/14 described above have potentially created inconsistency in the time series for this entry.	NHS Commissioning Board (2014)
	Public provision, finance and decision	Misc. NHS expenditure	3,903	4,941	7,875	10,453	9,583	Misc. incudes Public Health England, Research and development - DH; Supplies and services - clinical, and Supply and Services - General (DH)	NHS Commissioning Board (2014)
		General ophthalmic services	201	0	0	0	0		
		TOTAL	23,460	40,704	49,891	73,104	71,240		
		Percent of grand total	70.5%	64.0%	64.5%	63.5%	59.1%		
Orange									
	Public provision and	TOTAL	0	0	0	0	0		
	finance, private decision	Percent of grand total	0.0%	0.0%	0.0%	0.0%	0.0%		

#### Table 2 Health

Purple						l			
		NHS hospital charges	156	292	99	503	360	Patient payments for NHS hospitals, not including private patients in NHS hospitals. 1999/00 underestimates due to no longer including 'pay bed' and similar income collected locally by NHS Trusts'. An estimate for 2013/14 was produced using OHE estimates for 2011/12. OHE no longer produces these estimates. UK original figures. Brought to England using ONS population estimates.	OHE (2014) personal communication
	Public provision, private finance, public decision	General ophthalmic services	111	0	0	0	0	Patient payments for sight tests and dispensing. Assumed to be public provision in 1979/80.	
		TOTAL	267	292	99	503	360		
		Percent of grand total	0.8%	0.5%	0.1%	0.4%	0.3%		
Red									
		NHS private patients	128	300	390	393	509		
	Public							NHS income from private patients within NHS provided services	DoH (2014) Table 2.3
	provision, private finance								
	and decision	TOTAL	128	300	390	393	509		
		Percent of grand total	0.4%	0.5%	0.5%	0.3%	0.4%		
Green	Private provision, public finance and decision	General dental services, prescriptions, general medical services	5,990	12,328	15,273	17,657	21,091	Expenditure on General dental services and personal dental services, Prescribing costs, Pharmaceutical services and Primary care services. General Ophthalmic Services and Optical Vouchers expenditure has been netted off.	NHS Commissioning Board (2014)

General ophthalmic services	0	141	205	216	329	Includes sight tests and repairs. Taking out spending on Optical vouchers by NHS	NHS Commissioning Board (2014 HCHS (2014)
Contracted-out care and also purchase of healthcare from non-NHS providers, of which:	101	109	135	5,541	9,130	From the results reported by Lafond et al (2014), we can see that spending on services provided by non-NHS bodies was £6,550m in total in 2012/13, of which £4,517m was spent on services provided by Independent Sector Providers (ISPs) and £2,033m - by Voluntary and other providers. From this we deduce that 68.96% was provided by ISPs and 31.04% by voluntary and other. The NHS Commissioning Board Annual Accounts (2014) show the total spending on the non-NHS providers was £10,187m in 2013/14. We have	Laing and Buisson (2015) Lafond et al (2014) NHS Commissioning Board (2014
(Independent sector providers, incudes NHS patients in indipendent hospitals)					6,436	added NHS private patients' revenue within Independent acute hospital sector from Laing and Buisson (2015) to the total NHS spending on non-NHS providers and applied the 68.96% and 31.04% rule from Lanfond et al (2014) to split this spending into ISP and Voluntary and Other providers for 2013/14. In previous years private patients' revenue came from NHS expenditure on "contractual homes and hospitals" (1979/80); Laing & Buisson estimate of acute health care purchased from independent sector (1995/6).	
(Voluntary and other Providers)					2,657		
Catering and laundry/ancillary services	0	143	353	377	0		
Hospital PFIs	0	0	0	826	0	Figure for 2007/08 includes Rental under operating leases: hire of plant and machinery, other operating leases, interest charges, PFI service charges. Most PFI expenditure is capital rather than current and is reported within Asset Financing and not Operating expenses. Since all the expenditure we are reporting here is current, spending on PFIs is not provided here.	
TOTAL	6,091	12,722	15,967	24,617	30,549		
Percent of grand	18.3%	20.0%	20.7%	21.4%	25.3%		

Yellow									1
		Glasses voucher scheme	0	225	197	176	202	NHS optical vouchers potential expenditure for 2013/14. Estimates are calculated using the maximum redeemable value for each voucher type. Estimates are 'maximum potential' "as vouchers may not have been redeemed to their maximum value and/or may not have been issued during the previous year and redeemed at that year's price levels" (NHS 2013: p.5).	HSCIC (2014) NHS (2013)
	Private provision, public finance, private decision	Private medical insurance	0	113	0	0	0		
	decision	TOTAL	0	337	197	176	202		
		Percent of grand total	0.0%	0.5%	0.3%	0.2%	0.2%		
Blue		General dental services & prescriptions	432	1,102	1,013	1,058	983	Dental and prescription charges income	NHS Commissioning Board (2014)
	Private								
	provision and finance, public	TOTAL	432	1,102	1,013	1,058	983		
	decision	Percent of grand total	1.3%	1.7%	1.3%	0.9%	0.8%		
Black	Private provision, finance and decision	Over-the-counter medicines, spectacles and contact lenses	2,041	4,482	5,756	8,310	4,121	Consumer expenditure excluding NHS charges. These figures do not include spectacles and contacts post 2011/12 - these are in 'other private medicine' together with therapeutic appliances and equipment (see two rows below). Pharmaceutical products: This includes medicinal preparations, medicinal drugs, patent medicines, serums and vaccines, vitamins and minerals, cod liver oil and halibut liver oil, oral contraceptives. It excludes veterinary products and items for personal hygiene such as medicinal soaps. Net of prescription and dental charges income.	ONS (2015)
	accision.								
		Private medical insurance	422	2,223	2,560	2,546	3,729	Expenditure on private medical insurance. Laing and Buisson (2012) figure for 2010/11. In Laing and Buisson (2014), it states that expenditure on private medical insurance remained broadly constant between 2010/11 and 2013/14.	Laing and Buisson (2012) Laing and Buisson (2014)

	Other private medicine	450	1,467	1,446	4,483	6,949	Other medical products, including clinical thermometers, adhesive and non- adhesive bandages, hypodermic syringes, first-aid kits, hot-water bottles and ice bags, medical hosiery items (such as elasticated stockings), knee supports, pregnancy tests, condoms and other mechanical contraceptive devices. Therapeutic appliances and equipment, including corrective eyeglasses and contact lenses, hearing aids, glass eyes, artificial limbs and other prosthetic devices, orthopaedic footwear, orthopaedic braces and supports, surgical belts, trusses and supports, neck braces, medical massage equipment and health lamps, powered and unpowered wheelchairs and invalid carriages, 'special' beds, crutches, devices for monitoring blood pressure. Medical services, including consultations of physicians in general or specialist practice, including orthodontists. This excludes services of medical analysis laboratories and x-ray centres and the services of traditional medicine practitioners. Dental services, including the services of dentists, oral hygienists and other dental auxiliaries. It includes the fitting costs of dentures but not dentures themselves, the services of orthodontic specialists or the services of medical analysis laboratories and x-ray centres. Paramedical services, including medical analysis laboratories and x-ray centres, freelance nurses and midwives, freelance acupuncturists, chiropractors, optometrists, physiotherapists, speech therapists, services of practitioners of traditional medicine and outpatient thermal bath or sea- water treatments.	ONS (2015)
	Hospital services					1,980	Not identified separately in previous exercises of this work. Hospital services, covering services of general and specialist hospitals including services of medical centres, maternity centres, nursing homes and convalescent homes that cover inpatient care. These services include medical care, meals and accommodation charges. Net of NHS private patients' income and NHS hospital charges.	ONS (2015)
	TOTAL	2,912	8,173	9,761	15,339	16,778		
	Percent of grand total	8.7%	12.8%	12.6%	13.3%	13.9%		
All	GRAND TOTAL	33,289	63,630	77,318	115,190	120,621		
	Percent	100%	100%	100%	100%	100%		

All

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# Table 3 Housing

Colour	Category	Description	1979/80	1995/96	1999/00	2007/08	2013/14	notes	sources 2013/14
		Housing Benefit for LA tenants	2,421	7,351	6,515	5,439	5,218	GB figure for expenditure on housing benefits for LA tenants, adjusted to England using population estimates.	DWP (2015)
White	Public provision, finance and decision	Economic subsidy for LA tenants	6,245	2,383	9,085	4,504	4,805	The 2013/14 figure was calculated using figures in Hills (2007) Ends and Means: The future roles of social housing in England, where Table 6.4 implies an economic subsidy of 64% of actual LA rents. Figure for 2007/08 were also calculated suing Hills (2007). Earlier figures were calculated according to method in Sefton (1997) and Sefton (2002). 1999/2000 and 2007/2008 splits 'economic subsidy for social housing' between HA and LA based on relative population proportions.	Hills (2007) Sefton (1997) Sefton, T. (2002)
		Homelessness provision	0	81	72	80	274	Net current expenditure on homelessness from the Revenue Outturn Housing services (RO4) in 2013-14 in England. Includes prevention and administration. Spending on homelessness was not identified separately in 1979/80.	DCLG (2015a)
		TOTAL	8,667	9,815	15,673	10,022	10,296		
		Percent of grand total	18.0%	11.5%	14.5%	6.3%	5.0%		
		grand total	10.070	11.570	14.570	0.570	5.070		
			0	0	0	0	0		
Orange	Public provision	TOTAL	0	0	0	0	0		
er ange	and finance, private decision	Percent of	0.00/	0.001	0.001	0.00/	0.00/		
		grand total	0.0%	0.0%	0.0%	0.0%	0.0%		
	Public provision,	LA rents	4,393	3,839	3,833	3,295	2,995	Amount spent on LA rents calculated by multiplying the average rent paid by number of households in England (1.6m households renting from LA and paying £89 a week). Net of housing benefit.	
Purple	private finance,		+,333	5,055	5,055	5,233	2,335		
	public decision	TOTAL	4,393	3,839	3,833	3,295	2,995		
		Percent of grand total	9.1%	4.5%	3.5%	2.1%	1.4%		

			0	0	0	0	0		
Red	Public provision,	TOTAL	0	0	0	0	0		
	private finance	Percent of							
	and decision	grand total	0.0%	0.0%	0.0%	0.0%	0.0%		
		Housing Benefit for HA tenants	239	1,847	3,306	5,564	7,833	GB figure adjusted to England using population estimates.	DWP (2015)
Green	Private provision, public finance and decision	Economic subsidy for HA tenants Homelessness provision TOTAL Percent of grand total	0 424	499 262 <b>2,608</b> 3.1%	3,360 104 6,770 6.2%	3,771 135 <b>9,471</b> 6.0%	6,061 108 14,001 6.8%	2013/14 figure was calculated using figures in Hills (2007) Ends and Means: The future roles of social housing in England, where Table 6.4 implies an economic subsidy of 51% of actual HA rents. 1979/80 and 1995/96, assumes economic subsidy is same proportion of rent per dwelling as for LA dwellings, calculated following method in Sefton (1997). 1999/00 splits 'economic subsidy for social housing' between HA and LA based on relative population proportions. Figure for 2007/2008 is GDP deflated from 2004/2005 and grossed to UK from Hills, J. (2007) Net current expenditure on homelessness from the Revenue Outturn Housing services (RO4) 2013-14 in England. Includes prevention and administration.	Hills (2007) Sefton (1997) Sefton, T. (2002) DCLG (2015a)
		grand total	0.9%	3.1%	6.2%	6.0%	6.8%		
		Mortgage Interest tax relief	5,486	3,489	1,885	2	0	abolished in 2000	
Yellow	Private provision, public finance,	Income Support for Mortgage Interest	131	865	621	387	315	Forecast for 2013/14. GB figuresadjusted to England using ONS population estimates.	Kennedy (2013)
	private decision	mileresi	101	200	021	507	212		Kenneuy (2015)
		Housing Benefit for						GB figures adjusted to England/UK using ONS population estimates	
		private rents	676	4,429	3,405	4,685	8,153		DWP (2015)

		Right-to-Buy discount	0	1,705	4,187	2,280	2,418	RtB discount calculated as economic subsidy x cumulative sales over previous 15 years (DCLG 2015a). This is consistent with the method described by Sefton (2002) and applied for these tables by Edmiston for 2007/8 – although in that case cumulative sales since the beginning of the scheme were used. Figures for 2013/14 include registered providers RtB as well as LA; 2007/8 figures include LA only. The weighted mean discount over the last 15 years was 40% for LA housing and 43% for registered provider housing (DCLG 2015b), which is a bit more than Wilcox's (2005) estimate of break-even discounts (30-35%), assuming mean duration of continuing tenancy in the absence of RtB of 15 years. So AVERAGE ANNUAL economic subsidy x cumulative sales is an underestimate of the cost to the public purse. Figure for England.	Wilcox (2005) DCLG (2015c) DCLG (2015d) Sefton (2002)
			6 9 9 9		10.000		10.000		
		TOTAL Percent of	6,292	10,488	10,098	7,354	10,886		
		grand total	13.0%	12.3%	9.3%	4.6%	5.3%		
	Private provision							Calculations are based on the number of households living in Housing Association accommodation (2.3m households) and the average rent paid per week (£98) in 2013/14 (DCLG 2015). Net of Housing Benefit for HA tenants.	DCLG (2015b)
Blue	and finance, public decision	HA rents	445	1,678	1,442	3,863	4,051		
		TOTAL	445	1,678	1,442	3,863	4,051		
		Percent of grand total	0.9%	2.0%	1.3%	2.4%	2.0%		
		Owner- occupiers' imputed rents & spending on repairs & maintenance	24,554	51,657	63,029	107,634	131,991	Imputed rentals for owner-occupiers and 'Maintenance and repair of the dwelling (UK figures, adjusted to England using ONS population estimates), net of Right-to-Buy discount and income support for mortgage interest, as well as Mortgage Interest tax relief for earlier years	ONS (2015)
Black	Private provision, finance and decision	Private rents	3,474	5,312	7,505	16,729	32,677	Calculations based on the average rent in the private rented sector (£176 per week) and number of private renters (4.4m) in 2013/14 (DCLG 2015). Net of housing benefits for private renters.	DCLG (2015b)
		TOTAL	28,028	56,969	70,534	124,363	164,668		
		Percent of grand total	58.1%	66.7%	65.1%	78.5%	79.6%		

All		GRAND TOTAL	48,249	85,398	108,350	158,367	206,898	
All	All	Percent	100%	100%	100%	100%	100%	

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# Table 4 Social Security and Income Maintenance

Colour	Category	Description	1979/80	1995/96	1999/00	2007/08	2013/14	notes	Source for 2013/14 figures
White		Expenditure on basic state pension	30,678	40,880	46,143	48,165	55,023	2012/13 tax year, uprated to 2013/14 using GDP deflator. UK, adjusted to England using ONS population figures. Including Basic pension (contributory), non-contributory basic pension	Hood and Oakley (2014)
		Other social security	30,478	60,043	58,043	66,779	57,882	IFS (2014), Table 3.1, expenditure for all benefits and tax credits total excluding: child tax credit, working tax credit, housing benefit, basic state pension, additional state pension. Local Welfare Assistance= £347m from DWP to LAs in 2013/14, following abolition of central Social Fund not currently included. Note, from 2015 passed to DCLG and may no longer be separately identified.	Hood and Oakley (2014), Table 3.1, expenditure for all benefits and tax credits total excluding: child tax credit (our figure from HMRC 2014), working tax credit (our figure from HMRC 2014), housing benefit (our figure from DWP 2015), basic state pension, additional state pension.
	Public provision, finance and decision	Child Support Agency	0	63	184	540	22	Payments to Secretary of State. In 2010 the law was changed such that recipients of child maintenance who are on Income Support or other benefits get to keep it all, and do not have to make some of it over to the state (i.e. they no longer get a reduction in benefits).	DWP (2014), Table 5
		Child Tax Credit and Working Tax Credit	0	0	433	20,931	24,444	2007/08 updated here from the previous exercise and so is not comparable to figure in Edmiston 2011. 2007/08 and 2013/14 figures represent annualised annual awards for CTC and WTC and for consistency over time reasons exclude HMRC expenditure on "movement in impairment for receivables" and "remissions/write-offs", which amount to just under half a million pounds.	HMRC (2014a)
		TOTAL	61,156	100,986	104,802	136,415	137,370		
		Percent of grand total	57.2%	65.1%	64.4%	58.2%	54.9%		

Orange									
	Public provision and	SERPS	10,367	5,604	6,756	10,868	16,962	Additional state pension (and pension transfers) - Sum of expenditure on state second pension, lump-sum payments and graduated retirement benefit. For earlier years: non-contracted out contributions which could have been contracted-out. Ended in 2002 - now state second pension. 2013/14 figure includes expenditure on additional state pension and also pension credits.	ONS (2013)
	finance, private decision	Occupational pensions (unfunded), from employers	0	0	0	9,219	11,122	2007-08 and 2013-14 figures are from ONS (2012) and are for years 2007 and 2010, respectively, adjusted to 2014/15 prices and net of employer tax relief for occupations pensions. Original figures are for UK, adjusted to England.	ONS (2012) HMRC (2014b), Table PEN 6
		TOTAL	10,367	5,604	6,756	20,087	28,084		
		Percent of grand total	9.7%	3.6%	4.2%	8.6%	11.2%		
Purple			0	0	0	0	0		
	Public provision,								
	private finance,	TOTAL	0	0	0	0	0		
	public decision	IUIAL			-		-		
		Percent of grand total	0.0%	0.0%	0.0%	0.0%	0.0%		
Red	Public provision, private finance and	Occupational pensions (unfunded), from employees	0	0	0	6,155	4,429	2007-08 and 2013-14 figures are from ONS (2012) and are for years 2007 and 2010, respectively, adjusted to 2014/15 prices and net of employee tax relief for occupations pensions (HM Revenue and Customs 2014). Original figures are for UK, adjusted to England.	ONS (2012) HMRC (2014b), Table PEN 6
	decision	TOTAL	0	0	0	6,155	4,429		
		Percent of grand total	0.0%	0.0%	0.0%	2.6%	1.8%		
Green	Private provision, public finance and decision	Child Trust Funds	0	0	0	252	0	Abolished in 2011	

		TOTAL	0	0	0	0	0		
		Percent of grand total	0.0%	0.0%	0.0%	0.0%	0.0%		
Yellow	Private provision,	Contracted-out deductions, incentives and tax reliefs on pensions	14,639	24,330	21,691	27,670	28,467	see Pensions table for details	
	public finance, private decision								
	private decision	TOTAL	14,639	24,330	21,691	27,670	28,467		
		Percent of grand total	13.7%	15.7%	13.3%	11.8%	11.4%		
Blue	Private provision	Child Support Agency	0	35	381	979	1,123	Child Support Agency – the CSA - closed to new cases in 2012, and has been replaced by the Child Maintenance Service. CMS is a much smaller operation and does not report maintenance arranged or collected in its statistics.	DWP (2015)
	and finance, public decision								
	decision	TOTAL	0	35	381	979	1,123		
		Percent of grand total	0.0%	0.0%	0.2%	0.4%	0.4%		
Black		Occupational and private pension contributions	20,662	23,296	28,104	41,350	49,511	Net of tax reliefs and contracted out deductions. See pensions table for details.	see Pensions table for details
	Private provision, finance and	Child Trust Funds	0	0	0	266	0	Abolished - no public payments towards it	
	decision	Private "welfare" insurance	116	929	1,036	1,410	1,241	ABI estimates, Includes Long-term Care and Stand-Alone Critical Illness. Could add estimate of 20 million meals provided through foodbanks (UK) - say worth £40m (Cooper et al, 2014). Not currently included.	ABI (online)
			20 770	24.225	20.122	42.025	50 750		
		TOTAL	20,778	24,225	29,139	43,026	50,752		

		Percent of grand total	19.4%	15.6%	17.9%	18.4%	20.3%	
All	All	GRAND TOTAL	106,940	155,181	162,769	234,332	250,226	
	All		100.0%	100.0%	100.0%	100.0%	100.0%	

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## Table 5 Pensions

Colour	Category	Description	1979/80	1995/96	1999/00	2007/08	2013/14	Notes	Sources for 2013/14
	Public provision,	Basic state pension	30,678	40,880	46,143	48,165	55,023	Including Basic pension (contributory), non-contributory basic pension. Original figures are for UK, adjusted to England figures.	Hood and Oakley (2014)
White	finance and	TOTAL	30,678	40,880	46,143	48,165	55,023		
	decision	Percent of grand	40.2%	40,880	40,143	33.6%	33.3%		
		total	40.270	+5.+70		33.070	33.370		
		State Earnings Related Pension Scheme (SERPS)	10,367	5,604	6,756	10,868	16,619	Additional state pension (and pension transfers) - Sum of expenditure on state second pension, lump-sum payments and graduated retirement benefit. For earlier years: non-contracted out contributions which could have been contracted-out. Ended in 2002 - now state second pension. 2013/14 figure includes expenditure on additional state pension and also pension credits.	Hood and Oakley (2014)
Orange	Public provision and finance, private decision	Occupational pensions (unfunded), from employers	0	0	0	9,219	11,122	2007-08 and 2013-14 figures are from ONS (2012) and are for years 2007 and 2010, respectively, adjusted to 2014/15 prices and net of employer tax relief for occupations pensions. Original figures are for UK, adjusted to England.	ONS (2012) HMRC (2014), Table PEN 6
		TOTAL	10,367	5,604	6,756	20,087	27,742		
		Percent of grand total	13.6%	6.0%	6.6%	14.0%	16.8%		
	Public		0	0	0	0	0		
Purple	provision, private finance,	TOTAL	0	0	0	0	0		
	public decision	Percent of grand total	0.0%	0.0%	0.0%	0.0%	0.0%		
Red	Public provision, private finance	Occupational pensions (unfunded), from employees	0	0	0	6,155	4,429	2007-08 and 2013-14 figures are from ONS (2012) and are for years 2007 and 2010, respectively, adjusted to 2014/15 prices and net of employee tax relief for occupations pensions (HM Revenue and Customs 2014). Original figures are for UK, adjusted to England.	ONS (2012) HMRC (2014)
	and decision	TOTAL	0	0	0	6155	4429		
		Percent of grand total	0.0%	0.0%	0.0%	4.3%	2.7%		
	Private		0	0	0	0	0		
Green	provision, public finance	TOTAL	0	0	0	0	0		
	and decision	Percent of grand total	0.0%	0.0%	0.0%	0.0%	0.0%		

Yellow	Private provision, public finance, private	Contracted-out deduction for occupational pension	8,437	7,247	7,022	8,239	5,489	Difference between full NI rate and contracted-out rate. 2013-14 figure represents value in 2010-11. Contracting out refers to a statutory arrangement under which pension schemes that meet certain conditions may contract out of the State Second Pension (S2P), formerly the State Earnings-Related Pension Scheme (SERPS). The members' and employers' National Insurance Contributions are reduced or partially rebated. Members of a contracted out pension scheme obtain rights in the pension scheme in place of rights to an additional state pension. The government stopped contracted out of the additional state pension for defined contribution (DC) schemes from 6 April 2012, with this also to end for defined benefit (DB) schemes from April 2016.We therefore estimate what proportion of the figure we have for the total cost of the contracted out rebate in 2010-11 should be retained, based on the proportion of people who are in DB schemes. PPI (online, Table 22) indicates that in 2012 there were 1 million private sector DC contributors and 1.7 million private sector DB contributors. Taking into account the public sector occupational pensions, the vast majority of which are DB, there are an additional 5.1 million. In 2010/11 total contracted out deductions for occupational pensions was £7bn (Government Actuary's Department 2014), applying proportional DB:DC contributors, we obtain £6.1bn - total cost of the contracted out rebates for DB schemes. This figure was then uprated to 2014/15 prices.	Government Actuary's Department (2014) PPI (online) Table 22 PPI (online) Table 19
	decision	Tax relief	6,201	14,417	11,072	16,359	23,003	Total tax relief from personal and occupational pensions in 2013-14. UK figures adjusted to England	HMRC (2014), Table PEN 6
		Incentive payments and rebates for personal pensions	0	2,667	3,597	3,073	270	Minimum contributions represent the rebate paid by HMRC to funds of individuals who have used their personal/stakeholder pension to contract out of the state second pension (state earnings related pension scheme prior to April 2002). The government ended contracting out of the additional State Pension on a defined contribution basis from 6 April 2012 hence the near-zero figure for 2013-14 minimum contributions. Contracting out for defined benefit schemes will be abolished from April 2016. Also includes RACs (Retirement Annuity Contracts): no new RACs could be taken out from 1 July 1988 but those with contracts at this date could still continue to contribute to them. Original figures are for UK, adjusted to England.	HMRC (2015), Table PEN1
		TOTAL	14,638	24,330	21,691	27,670	28,762		
		Percent of grand total	19.2%	25.9%	21.1%	19.3%	17.4%		
			_			_	_		
Blue	Private provision and	TOTAL	0	0	0	0	0		
	Provision and	TOTAL	0	0	0	0	0		1

	finance, public decision	Percent of grand total	0.0%	0.0%	0.0%	0.0%	0.0%		
		Occupational pensions (funded)	19,976	17,234	23,482	29,149	38,570	2007-08 and 2013-14 figures are from ONS (2012) and are for years 2007 and 2010, respectively, adjusted to 2014/15 prices. 2007 figures are therefore not consistent with Edmiston (2011) and earlier publications of this exercise (Burchardt 1997; and Smithies 2005), which did not include expenditure on occupational pensions (funded). The fires are net of tax relief. Original figures are for UK, adjusted to England.	ONS (2012) HMRC (2014), Table PEN 6
Black	Private provision, finance and decision	Personal pensions	686	6,063	4,622	12,201	10,941	Net of tax relief and rebates for personal pensions. 2007-08 and 2013-14 figures are from ONS (2012) and are for years 2007 and 2010, respectively, adjusted to 2014/15 prices. Figures for individual contributions comprise contributions by employees, the self-employed and non-earners; from 2006/07 they include FSAVCs (Free Standing Additional Voluntary Contributions). Net of tax relief for personal pensions, RACs and Minimum Contributions (which are related to the contracted out contributions). Tax relief figure for 2013/14. 2007 figures are therefore not consistent with Edmiston (2011). Original figures are for UK, adjusted to England.	ONS (2012) HMRC (2014), Table PEN 6
		TOTAL	20,662	23,296	28,104	41,350	49,511		
		Percent of grand total	27.1%	24.8%	27.4%	28.8%	29.9%		
	All	GRAND TOTAL	76,345	94,110	102,693	143,426	165,466		
		Percent	100.0%	100.0%	100.0%	100.0%	100.0%		

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Table 6 Social Care

								Notes	Sources for 2013/14
Colour	Category	Description	1979/80	1995/96	1999/00	2007/08	2013/14		
		Residential care	1,810	2,482	2,457	2,446	884	Local Authority expenditure on residential care, net of associated income from client contributions.	HSCIC (2014) DfE (2014)
		Non-residential care	1,215	3,689	4,287	5,978	4,697	Local Authority expenditure on non-residential care, net of associated income from client contributions.	HSCIC (2014) DfE (2014)
White	Public provision, finance and decision	Miscellaneous	1,365	1,797	2,421	3,167	3,952	In years up to and including 2007/08 this spending represents administration and regulation, training, other unallocated expenditure, etc. In 2013/14: for adult social care: Total Miscellaneous (Assessment and care management)	HSCIC (2014) DfE (2014)
		Centrally-financed	46	176	283	969	5,552	net of user charges and Total Centrally managed expenditure; for children's services: Total Miscellaneous (Assessment and care management) net of user charges	HSCIC (2014) DfE (2014)
		TOTAL	4,436	8,144	9,448	12,561	9,533		
		Percent of grand total	66.1%	37.2%	37.2%	35.2%	25.6%		
Orange	Public provision and	Direct payments					67	A new entry from 2013/14 from Children and Young People's Services	DfE (2014)
	finance, private	TOTAL	0	0	0	0	67		
	decision	Percent of grand total	0.0%	0.0%	0.0%	0.0%	0.2%		
Purple		Residential care	537	488	609	495	189	Income from client contributions for Local Authorities' residential provision of care [see note 1].	HSCIC (2014) DfE (2014)
	Public provision,	Non-residential care	76	189	316	226	352	Income from client contributions for non-residential Local Authorities' provision of care [see note 1].	HSCIC (2014) DfE (2014)
	Public provision, private finance, public decision	Miscellaneous	11	0	0	33	18	Income from client contributions attributed to other Local Authorities' own provision of care (excl. residential and non-residential)	HSCIC (2014) DfE (2014)
		TOTAL	624	677	925	753	560		
		Percent of grand total	9.3%	3.1%	3.6%	2.1%	1.5%		
Red	Public provision,								
	private finance and	TOTAL	0	0	0	0	0		
	decision	Percent of grand total	0.0%	0.0%	0.0%	0.0%	0.0%		

	Private provision, public finance and decision	Residential care by 'Other' providers	390	3,135	4,495	6,068	6,349	Local authority expenditure on contracted-out residential services, net of associated income from client contributions [see note 1]. In 1979/80, estimated as total net cost minus cost of own provision. In 1995/6, estimated as number of other-provision clients multiplied by gross cost per client minus user charges. In 2013/14 distinct expenditure by LAs on provision by 'others' is available for adult social care and by 'private' and voluntary' organisations for children and young people's services.	HSCIC (2014) DfE (2014)
		Residential care from funding to Voluntary organisations					55	New entry associated with children and young people's services in 2013-14. In previous years this amount most likely had been included in the residential care by 'other' providers category.	HSCIC (2014) DfE (2014)
		Non-residential care by 'Other' providers	273	1,444	1,776	4,985	5,919	Local authority expenditure on contracted-out non-residential services, net of associated income from client contributions [see note 1 and note for residential care above].	HSCIC (2014) and DfE (2014)
Green		Non-residential care from funding to Voluntary organisations					453	New entry associated with children and young people's services in 2013-14 for non-residential care from funding by Voluntary organisations.	HSCIC (2014) and DfE (2014)
		Miscellaneous					299	New entry for 2013/14: Miscellaneous total expenditure, including assessment and care management, spending on Strategic management and complaints procedures provided by others/funding to voluntary providers and total expenditure on service strategy for adult social care.	HSCIC (2014) DfE (2014)
		Income Support	33	2,017	997	0	0	For previous years, these figures represent income to those in residential care homes, but from April 2002, the Residential Allowance was withdrawn from new residents of independent sector care homes and the Part III rate of income support was withdrawn from new residents of local authority homes these were abolished altogether in October 2003.	
		TOTAL	695	6,595	7,267	11,054	13,076		
		Percent of grand total	10.4%	30.1%	28.6%	31.0%	35.1%		
Yellow	Private provision, public finance,	Direct Payments	0	0	49	523	1,457	Direct payment to provision by others and voluntary organisations. In 1999/00 this was only initially available to a specific sub-section of people qualifying for social care.	HSCIC (2014) DfE (2014)
	private decision	TOTAL	0	0	49	624	1,457		
		Percent of grand total	0.0%	0.0%	0.2%	1.7%	3.9%		
Blue	Private provision and finance, public decision	Residential care	12	851	1,701	1,484	1,765	income charges from 'provision by others' for residential care.	HSCIC (2014) DfE (2014)
		Non-residential care	18	78	150	677	436	income charges from 'provision by others' for non-residential care	
		Miscellaneous	0	0	0	98	1	The remaining income from 'provision by others' (excl. residential and non- residential) - so includes income from assessment and care management, miscellaneous	HSCIC (2014) DfE (2014)

		TOTAL	29	929	1,851	2,259	2,202		
		Percent of grand total	0.4%	4.2%	7.3%	6.3%	5.9%		
Black	Private provision, finance and decision	Residential and non- residential care	925	5,576	5,884	8,422	10,385	In previous exercises on the public-private mix of welfare provision for figures up to and including 2007/08 (e.g. by Burchardt (1997), Smithies (2005) and Edmiston (2011)), private expenditure on residential and non- residential care were either for elderly people or for 'elderly and handicapped' and excluded spending on younger adults. Here an estimate for expenditure on working age adults for these years has been added. Since around 51% of total social care spending is spent on the elderly, we multiplied previous figures by 2 to arrive at the estimate on private spending for elderly people and younger adults. Data for 2013/14 is based on spending for all adults, calculated using proportion of funding from private individuals (using PSSRU methodology with others from Skills for Care 2013) and includes pure private spending, excluding top ups)	Skills for Care (2013)
		TOTAL	925	5,576	5,884	8,422	10,385		
		Percent of grand total	13.8%	25.4%	23.1%	23.6%	27.9%		
All	All	GRAND TOTAL	6,710	21,921	25,424	35,672	37,280		
		Percent	100.0%	100.0%	100.0%	100.0%	100.0%		
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		Public	finance			Private	finance		A 11
	Public p	rovision	Private p	provision	Public p	rovision	Private p	provision	All
	Public decision	Private decision							
1979/80									
Education	20.0	0.0	7.2	0.9	0.0	0.0	0.0	1.8	29.8
Health	23.5	0.0	6.1	0.0	0.3	0.1	0.4	2.9	33.3
Housing	8.7	0.0	0.4	6.3	4.4	0.0	0.4	28.0	48.2
Social Security	61.2	10.4	0.0	14.6	0.0	0.0	0.0	20.8	106.9
Personal Social Services	4.4	0.0	0.7	0.0	0.6	0.0	0.0	0.9	6.7
Total	117.7	10.4	14.4	21.8	5.3	0.1	0.9	54.4	225.0
1995/96									
Education	26.9	0.0	11.6	1.7	0.0	0.0	0.0	4.8	45.0
Health	40.7	0.0	12.7	0.3	0.3	0.3	1.1	8.2	63.6
Housing	9.8	0.0	2.6	10.5	3.8	0.0	1.7	57.0	85.4
Social Security	101.0	5.6	0.0	24.3	0.0	0.0	0.0	24.2	155.2
Personal Social Services	8.1	0.0	6.6	0.0	0.7	0.0	0.9	5.6	21.9
Total	186.5	5.6	33.5	36.9	4.8	0.3	3.7	99.8	371.1
1999/00									
Education	26.3	0.0	11.9	1.1	0.0	0.0	0.0	6.7	46.0
Health	49.9	0.0	16.0	0.2	0.1	0.4	1.0	9.8	77.3
Housing	15.7	0.0	6.8	10.1	3.8	0.0	1.4	70.5	108.4
Social Security	104.8	6.8	0.0	21.7	0.0	0.0	0.4	29.1	162.8
Personal Social Services	9.4	0.0	7.3	0.0	0.9	0.0	1.9	5.9	25.4
Total	206.1	6.8	41.9	33.1	4.9	0.4	4.7	122.1	419.9
2007/08									
Education	44.8	0.0	14.0	4.2	0.0	0.0	0.0	10.1	73.1
Health	73.1	0.0	24.6	0.2	0.5	0.4	1.1	15.3	115.2
Housing	10.0	0.0	9.5	7.4	3.3	0.0	3.9	124.4	158.4
Social Security	136.4	20.1	0.0	27.7	0.0	6.2	1.0	43.0	234.3
Personal Social Services	12.6	0.0	11.1	0.6	0.8	0.0	2.3	8.4	35.7
Total	276.9	20.1	59.2	40.0	4.6	6.5	8.2	201.2	616.7
2013/14									
Education	47.3	0.0	10.8	2.8	0.0	0.8	0.0	17.8	79.5
Health	71.2	0.0	30.5	0.2	0.4	0.5	1.0	16.8	120.6
Housing	10.3	0.0	14.0	10.9	3.0	0.0	4.1	164.7	206.9
Social Security	137.4	28.1	0.0	28.5	0.0	4.4	1.1	50.8	250.2
Personal Social Services	9.5	0.1	13.1	1.5	0.6	0.0	2.2	10.4	37.3
Total	275.7	28.2	68.4	43.8	3.9	5.8	8.4	260.3	694.5

# Table 7 Welfare activity by category and policy area, 1979/80 to 2013/14, £ billion in 2014/15 prices (GDP deflated)