



BRIEFING PAPER

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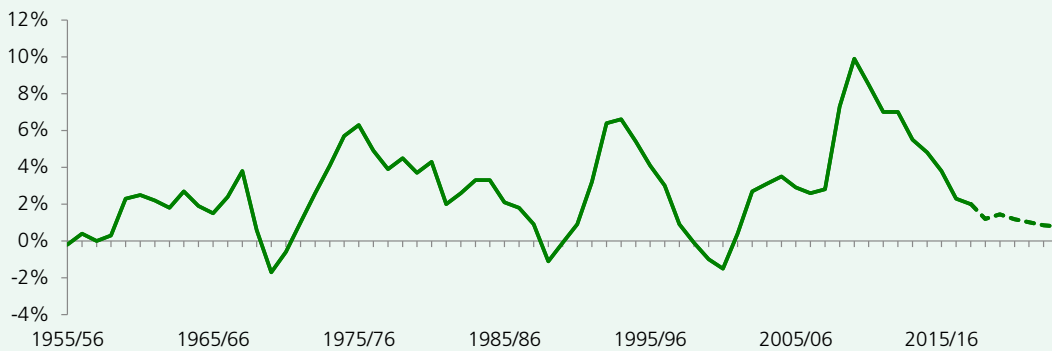
Government borrowing, debt and debt interest: historical statistics and forecasts

By Matthew Keep

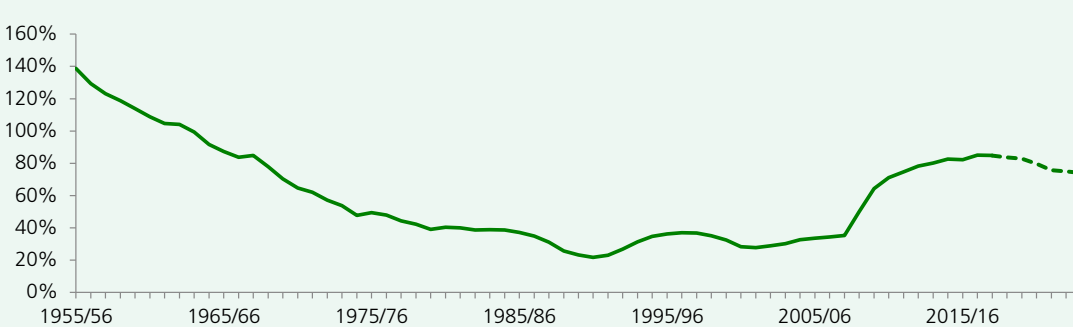
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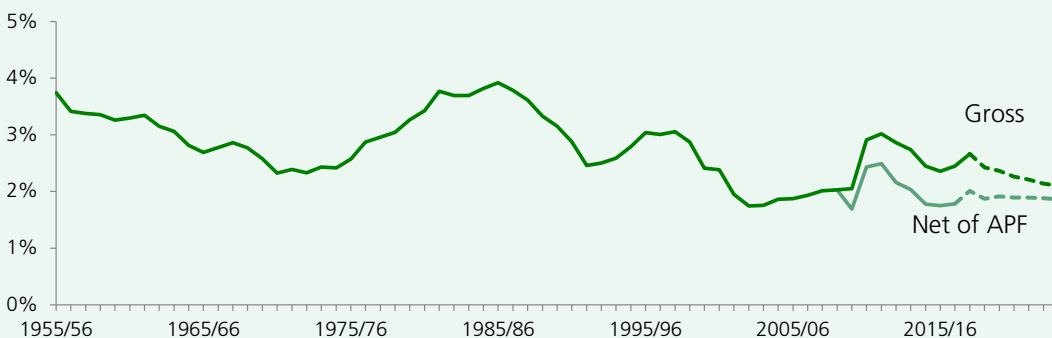
Public sector net borrowing, % GDP



Public sector net debt, % GDP



Debt interest payments, % GDP



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Summary and introduction

This is a purely statistical note on public sector borrowing (the budget deficit), public sector debt and government debt interest payments.

The charts below show public sector net borrowing, public sector net debt and debt interest payments. The data are in the table below the charts. Outturn figures from the Office for National Statistics (ONS) and the latest Office for Budget Responsibility (OBR) forecasts are shown. Data after 2017/18 are forecasts. Data for 2017/18 are provisional and may be revised.

Gross debt and net debt interest

After 2007/08 two measures of debt interest are shown: gross debt interest and net debt interest. The net figure includes the impact that the Bank of England's [quantitative easing](#) has had on debt interest payments made by the government.

The Asset Purchase Facility (APF) was set up for the Bank of England (BoE) to carry out quantitative easing, which aimed to stimulate the economy. The BoE bought government bonds through the APF from private investors such as pension funds and insurance companies to get money into the economy.

While the bonds remain in the APF it means that government net debt interest is lower than it otherwise would have been. This is because the BoE is in the public sector, so when the government makes debt interest payments for the bonds held in the APF it is making them directly to another public sector body – this is a transfer within the public sector and the net effect is £0. This means that the actual cost to the public sector of holding the debt in the APF is the cost to the BoE of raising the funds used to buy the debt, which is the bank rate and it is lower than the debt interest.

Other Library briefings discuss borrowing and debt further: [The budget deficit: a short guide](#) provides some key definitions, whilst [public finances](#) discusses recent outturns and forecasts.

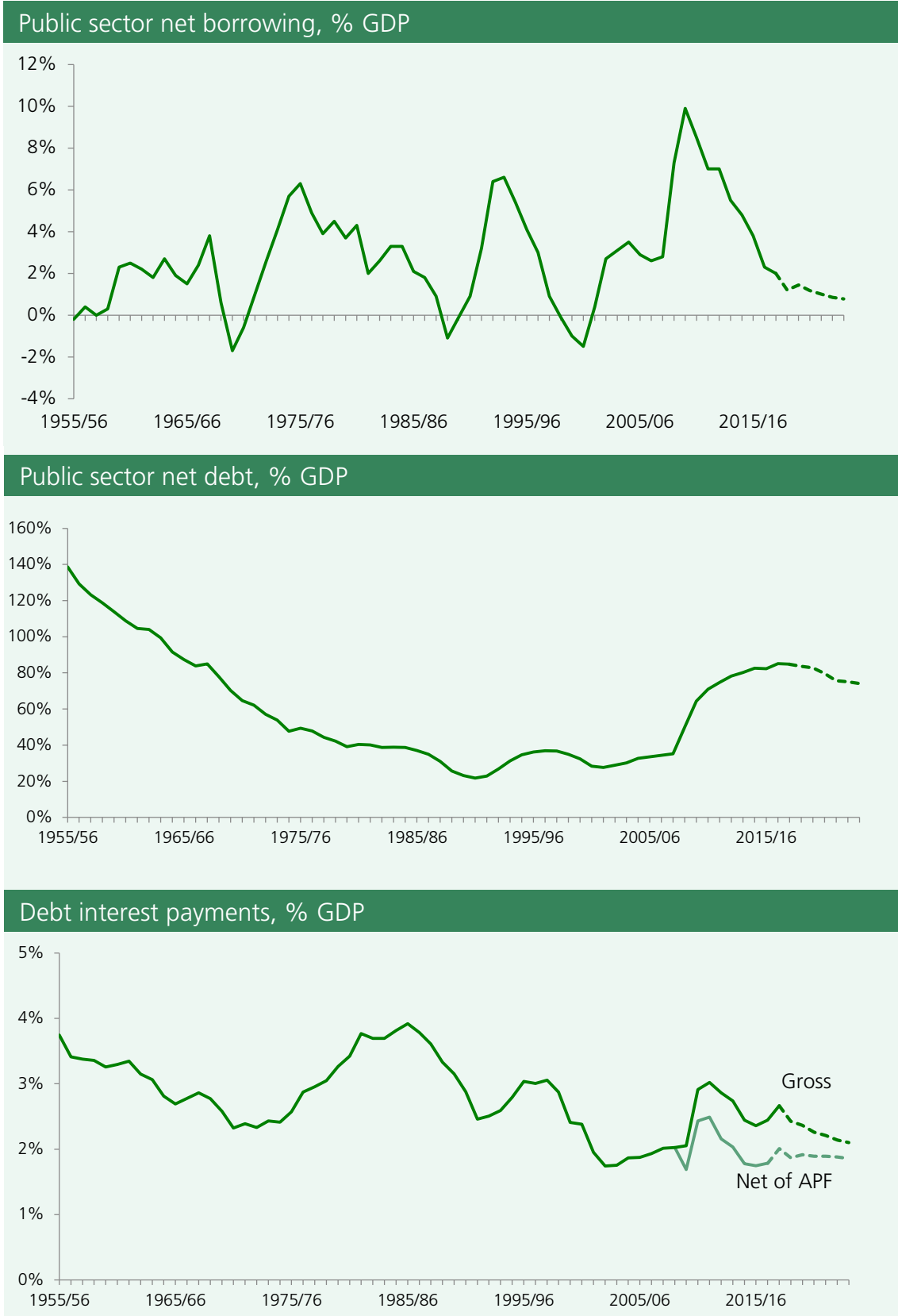
Borrowing and debt data are available back to the 1920s the OBR's [public finances databank](#). The data are in the sheet called 'Public finances since 1920'.

Next updates:

Outturn data: Office for National Statistics. Public sector finances release, 21 February 2019

Forecasts: Office for Budget Responsibility, Spring 2019

1. Borrowing, debt and debt interest: Charts



2. Borrowing, debt and debt interest: Table

Public sector finance statistics								
	Public sector net borrowing (a)		Public sector net debt (a)		Debt interest payments (b)			
	£ billion	% GDP	£ billion	% GDP	Gross		Net of APF	
					£ billion	% GDP	£ billion	% GDP
1946/47	0.6	6.4%	...	259%	0.5	...	...	...
1947/48	0.1	0.7%	...	240%	0.5	...	...	...
1948/49	-0.5	-4.2%	...	212%	0.5	...	...	...
1949/50	-0.6	-4.7%	...	204%	0.5	...	...	...
1950/51	-0.5	-3.5%	...	195%	0.5	...	...	...
1951/52	-0.1	-0.5%	...	175%	0.6	...	...	...
1952/53	0.2	1.3%	...	163%	0.6	...	...	...
1953/54	0.4	2.4%	...	155%	0.7	...	...	...
1954/55	0.3	1.4%	...	149%	0.7	...	...	...
1955/56	0.0	-0.2%	...	139%	0.7	3.7%	...	...
1956/57	0.1	0.4%	...	129%	0.7	3.4%	...	...
1957/58	0.0	0.0%	...	123%	0.8	3.4%	...	...
1958/59	0.1	0.3%	...	119%	0.8	3.4%	...	...
1959/60	0.6	2.3%	...	114%	0.8	3.3%	...	...
1960/61	0.7	2.5%	...	109%	0.9	3.3%	...	...
1961/62	0.6	2.2%	...	105%	0.9	3.3%	...	...
1962/63	0.5	1.8%	...	104%	0.9	3.2%	...	...
1963/64	0.9	2.7%	...	99%	1.0	3.1%	...	...
1964/65	0.7	1.9%	...	92%	1.0	2.8%	...	...
1965/66	0.6	1.5%	...	87%	1.0	2.7%	...	...
1966/67	1.0	2.4%	...	84%	1.1	2.8%	...	...
1967/68	1.6	3.8%	...	85%	1.2	2.9%	...	...
1968/69	0.3	0.6%	...	78%	1.3	2.8%	...	...
1969/70	-0.9	-1.7%	...	70%	1.3	2.6%	...	...
1970/71	-0.3	-0.6%	...	65%	1.3	2.3%	...	...
1971/72	0.6	1.0%	...	62%	1.5	2.4%	...	...
1972/73	1.9	2.6%	...	57%	1.7	2.3%	...	...
1973/74	3.4	4.1%	...	54%	2.0	2.4%	...	...
1974/75	5.6	5.7%	52.1	48%	2.4	2.4%	...	...
1975/76	7.7	6.3%	64.7	49%	3.1	2.6%	...	...
1976/77	7.0	4.9%	73.6	48%	4.1	2.9%	...	...
1977/78	6.4	3.9%	79.5	44%	4.9	3.0%	...	...
1978/79	8.7	4.5%	88.6	42%	5.9	3.0%	...	...
1979/80	8.5	3.7%	98.2	39%	7.6	3.3%	...	...
1980/81	11.5	4.3%	113.8	40%	9.2	3.4%	...	...
1981/82	6.0	2.0%	125.2	40%	11.2	3.8%	...	...
1982/83	8.5	2.6%	132.5	39%	12.1	3.7%	...	...
1983/84	11.8	3.3%	143.6	39%	13.2	3.7%	...	...
1984/85	12.5	3.3%	157	39%	14.7	3.8%	...	...
1985/86	9.0	2.1%	162.5	37%	16.6	3.9%	...	...
1986/87	8.4	1.8%	167.8	35%	17.2	3.8%	...	...

Public sector finance statistics/forecasts								
	Public sector net borrowing (a)		Public sector net debt (a)		Debt interest payments (b)			
	£ billion	% GDP	£ billion	% GDP	Gross		Net of APF	
					£ billion	% GDP	£ billion	% GDP
1987/88	4.7	0.9%	167.4	31.0%	18.4	3.6%	...	...
1988/89	-6.0	-1.1%	153.7	25.7%	19.0	3.3%	...	...
1989/90	-0.6	-0.1%	151.9	23.1%	19.8	3.2%	...	...
1990/91	6.2	0.9%	151.1	21.8%	19.5	2.9%	...	...
1991/92	23.0	3.2%	165.8	22.9%	17.5	2.5%	...	...
1992/93	47.1	6.4%	201.9	26.8%	18.4	2.5%	...	...
1993/94	51.6	6.6%	249.8	31.3%	20.1	2.6%	...	...
1994/95	43.8	5.4%	290.0	34.7%	22.8	2.8%	...	...
1995/96	35.3	4.1%	322.1	36.2%	26.1	3.0%	...	...
1996/97	27.7	3.0%	347.0	36.9%	27.6	3.0%	...	...
1997/98	9.1	0.9%	358.6	36.7%	29.3	3.1%	...	...
1998/99	-1.1	-0.1%	357.8	35.0%	28.8	2.9%	...	...
1999/00	-11.0	-1.0%	349.3	32.4%	25.2	2.4%	...	...
2000/01	-16.1	-1.5%	316.7	28.3%	26.2	2.4%	...	...
2001/02	4.4	0.4%	323.1	27.7%	22.3	2.0%	...	...
2002/03	32.1	2.7%	356.2	28.9%	20.9	1.7%	...	...
2003/04	38.8	3.1%	391.0	30.1%	22.2	1.8%	...	...
2004/05	46.1	3.5%	446.5	32.7%	24.8	1.9%	...	...
2005/06	41.6	2.9%	487.2	33.6%	26.5	1.9%	...	...
2006/07	38.0	2.6%	523.6	34.4%	28.8	1.9%	...	...
2007/08	42.9	2.8%	557.2	35.2%	31.4	2.0%	...	...
2008/09	113.5	7.3%	768.3	49.9%	31.7	2.0%	31.7	2.0%
2009/10	153.1	9.9%	1,011.9	64.3%	31.8	2.1%	26.1	1.7%
2010/11	136.5	8.5%	1,157.6	71.0%	46.8	2.9%	39.1	2.4%
2011/12	116.3	7.0%	1,253.1	74.7%	49.8	3.0%	41.1	2.5%
2012/13	120.3	7.0%	1,363.6	78.2%	49.0	2.9%	36.9	2.2%
2013/14	97.7	5.5%	1,464.4	80.2%	48.8	2.7%	36.2	2.0%
2014/15	89.9	4.8%	1,554.7	82.6%	45.4	2.4%	33.0	1.8%
2015/16	71.8	3.8%	1,602.6	82.3%	45.1	2.4%	33.4	1.7%
2016/17	44.9	2.3%	1,726.7	85.1%	48.7	2.4%	35.5	1.8%
2017/18	41.9	2.0%	1,778.9	84.8%	55.0	2.7%	41.5	2.0%
2018/19	25.5	1.2%	1,810.1	83.7%	51.6	2.4%	39.8	1.9%
2019/20	31.8	1.4%	1,851.0	82.8%	52.0	2.4%	42.1	1.9%
2020/21	26.7	1.2%	1,841.1	79.7%	51.4	2.3%	43.0	1.9%
2021/22	23.8	1.0%	1,809.3	75.7%	52.0	2.2%	44.4	1.9%
2022/23	20.8	0.9%	1,856.3	75.0%	52.0	2.1%	45.7	1.9%
2023/24	19.8	0.8%	1,896.4	74.1%	52.9	2.1%	46.8	1.9%

Sources: Office for National Statistics and Office for Budget Responsibility

Note: (a) borrowing & debt figures exclude public sector banks
(b) central government gross debt interest payments

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