



# HM TREASURY

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Information Rights Unit

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[www.hm-treasury.gov.uk](http://www.hm-treasury.gov.uk)  
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Ref: 12/1234

## Freedom of Information Act 2000: National Debt

Thank you for your Freedom of Information enquiry of 21 December. In your email you asked if the national debt has increased or decreased during the coalition Government.

The Government inherited an exceptional fiscal challenge. The financial crisis of 2008 and 2009 resulted in the largest deficit since the Second World War and unsustainable public spending. The state was borrowing one pound in every four that it spent. The Coalition Government took action and set out a clear, detailed and credible consolidation plan to tackle this historically high level of public borrowing, ensuring that the public finances are restored to a sustainable path. As a result, the Government has made significant progress in reversing the unprecedented increase in borrowing between 2008 and 2010 with public sector net borrowing cut by a quarter, falling from £159 billion (11.2 per cent of GDP) in 2009-10 to £122 billion (8.0 per cent of GDP) in 2011-12.

However, debt as a share of GDP will only start to fall when net borrowing falls below the growth rate of the economy. The independent Office of Budget Responsibility forecast this will happen in 2016-17. In the latest public sector finances statistical bulletin, jointly published every month by the Treasury and Office for National Statistics, public sector net debt was 53.1% of GDP (£770 billion) in 2009-10. It stood at 66.2% of GDP (£1026 billion) in 2011-12, the last full year for which information is available. According to the Office for Budget Responsibility's December 2012 *Economic and fiscal outlook*, public sector net debt will peak as a share of GDP in 2015-16 at 79.9%, falling to 77.3% by 2017-18.

Full statistical data, including the latest part-year figures, are available at:  
<http://www.ons.gov.uk/ons/rel/psa/public-sector-finances/nov-2012/stb---november-2012.html#tab-Public-sector-net-debt>

Forecast data are also available, from  
<http://budgetresponsibility.independent.gov.uk/economic-and-fiscal-outlook-december-2012/>

If you have any queries about this letter, please contact me. It will be helpful to us if you remember to quote the reference number above in any future communications.

Nick Dippie | Information Rights Unit

Your right to complain under the Freedom of Information Act 2000

If you are not happy with this reply, you may request a review by writing to HM Treasury, Information Rights Unit, 2/W1, 1 Horse Guards Road, London SW1A 2HQ.  
Email [FOI.responses@hmtreasury.gsi.gov.uk](mailto:FOI.responses@hmtreasury.gsi.gov.uk)

Any review request must be made within 2 months of the date of this letter.

It would assist our review if you set out which aspects of the reply concern you and why you are dissatisfied.

If you are not content with the outcome of your complaint, you may apply directly to the Information Commissioner for a decision. Generally, the ICO cannot make a decision unless you have exhausted the complaints procedure provided by HM Treasury. The Information Commissioner can be contacted at: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF.

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