



Department for
Communities and
Local Government



Statistical Release

25 June 2013

LOCAL AUTHORITY CAPITAL EXPENDITURE AND RECEIPTS

England: 2012-13 Provisional Outturn & 2013-14 Forecast

- Capital expenditure by local authorities in England fell from £20.0 billion in 2011-12 to £18.7 billion in 2012-13, a year-on-year decrease of almost 7%, due mainly to a reduction in expenditure in both new construction and conversion and on grants, loans and other financial assistance. It is forecast to increase to £23.7 billion in 2013-14, a year-on-year rise of 27%.
- Capital receipts have increased slightly in 2012-13 to £2.1 billion from £2.0 billion in 2011-12, a year-on-year increase of 5%. Receipts are forecast to fall to £2.0 billion in 2013-14.
- The provisional outturn figure for capital expenditure in 2012-13 is the lowest since 2006-07, whilst the forecast for expenditure in 2013-14 is the highest amount yet recorded. There is some evidence from authorities that 2012-13 capital expenditure is lower than originally forecast due to slippage on various schemes and development projects which are now expected to be delivered in 2013-14.

This release provides provisional outturn estimates of local authority capital expenditure and receipts in the financial year April 2012 to March 2013 and forecasts of local authority capital expenditure and receipts in the financial year April 2013 to March 2014. Figures for both 2012-13 and 2013-14 are consistent with Service Reporting Code of Practice (SeRCOP).

The information for 2012-13 is derived from Capital Payments and Receipts Returns (CPR4) submitted by local authorities in England and is based on returns from 444 authorities in England that complete the return. The information for 2013-14 is derived from valid Capital Estimates Returns (CER) submitted by 444 local authorities in England.

In Tables 1 to 7 the figures reported by local authorities have been adjusted to reflect the historic difference between provisional and final estimates and between forecasts and final estimates. Figures in Tables 8 and 9 and Annex A are as reported by local authorities.

The release has been compiled by the Local Government Finance – Data Collection Analysis and Accountancy division of Communities and Local Government.

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Capital expenditure and receipts 2008-09 to 2013-14

1. **Chart A** and **Table 1** illustrate the change in capital expenditure and receipts from 2008-09 to 2013-14. The 2012-13 cumulative quarterly data are published in a live table and can be viewed at <https://www.gov.uk/government/statistical-data-sets/live-tables-on-local-government-finance>

There has been a reform to the Housing Revenue Account (HRA) system of payments which is reflected in the significant increase in the 2011-12 figures shown in Tables 1 and 7 in this Statistical Release.

A fall in the level of in-year capital expenditure in 2012-13 is due to expenditure turning out to be lower than forecast evidencing the effect of slippage due to unforeseen delays in a number of capital projects. This has in turn increased the forecast for expenditure in 2013-14 as a number of authorities have indicated that they are re-profiling major works into later years.

- Capital expenditure by local authorities in England fell from £20.0 billion in 2011-12 to £18.7 billion in 2012-13, a year-on-year decrease of almost 7%, due mainly to a reduction in expenditure in both new construction and conversion and on grants, loans and other financial assistance. It is forecast to increase to £23.7 billion in 2013-14, a year-on-year rise of 27%.
- Capital receipts have increased slightly in 2012-13 to £2.1 billion from £2.0 billion in 2011-12, a year-on-year increase of 5%. Receipts are forecast to fall to £2.0 billion in 2013-14.
- The provisional outturn figure for capital expenditure in 2012-13 is the lowest since 2006-07, whilst the forecast for expenditure in 2013-14 is the highest amount yet recorded. There is some evidence from authorities that 2012-13 capital expenditure is lower than originally forecast due to slippage on various schemes and development projects which are now expected to be delivered in 2013-14.

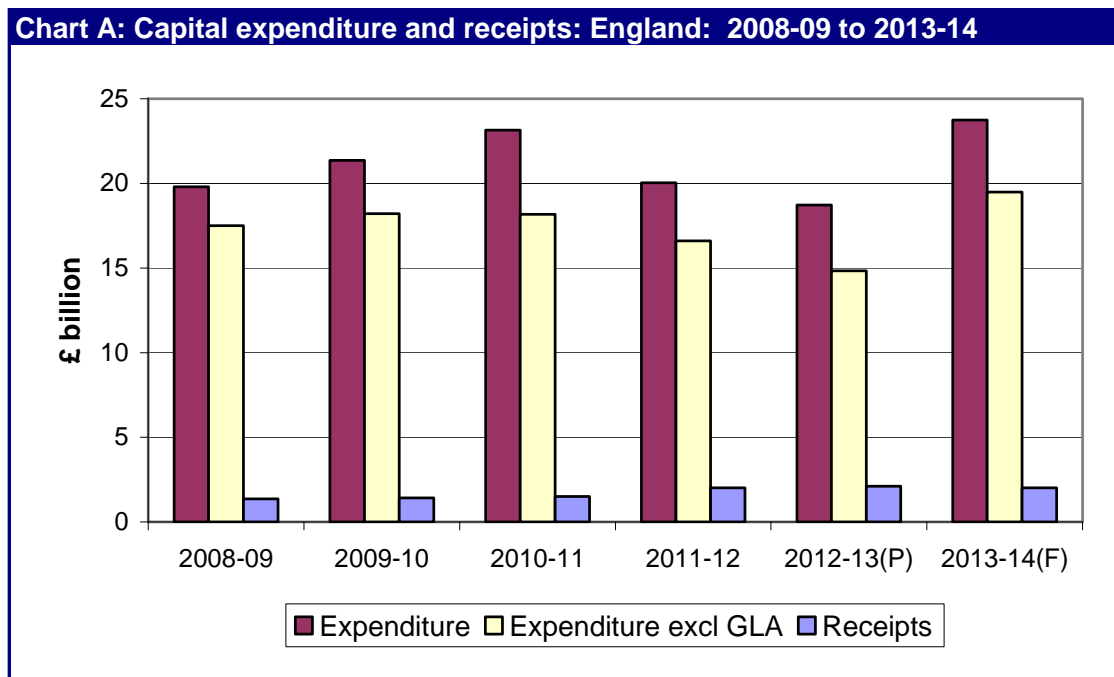


Table 1: Local authority capital expenditure and receipts: England: 2008-09 to 2013-14

	2008-09	2009-10	2010-11	2011-12	2012-13 (P)	£ million 2013-14 (F)
Expenditure:						
Acquisition of land and existing buildings and works	1,511	1,301	1,043	721	1,034	734
New construction and conversion	13,390	14,551	14,777	13,300	12,023	16,421
Vehicles, plant equipment and machinery	1,488	1,597	1,520	1,426	1,226	1,417
Intangible assets	204	197	205	221	171	275
Total expenditure on fixed assets	16,593	17,645	17,544	15,668	14,453	18,848
Grants, loans and other financial assistance	3,172	3,574	5,148	4,166 ^(b)	2,804 ^(c)	4,892
Acquisition of share and loan capital	36	143	454	198	1,458 ^(d)	6
Total capital expenditure	19,801	21,362	23,146	20,032	18,714	23,745
<i>of which GLA:</i>	<i>2,299</i>	<i>3,156</i>	<i>4,969</i>	<i>3,431</i>	<i>3,876</i>	<i>4,253</i>
Expenditure by virtue of a section 16(2)(b) direction ^(a)	432	464	239	263	49 ^(e)	109 ^(f)
Notional capital receipts set aside and Large Scale Voluntary Transfer levy	0	0	0	16	0	0
One-off HRA self-financing determination payment:				13,295 ^(g)		
Total expenditure and other transactions	20,233	21,826	23,385	33,606	18,764	23,854
Total expenditure excl HRA self-financing determination payment				20,311		
Receipts	1,353	1,427	1,498	8,724	2,119	2,019
Receipts excl HRA self-financing determination & premium				2,014		
One-off HRA self-financing determination & premium:				6,711 ^(g)		

(a) Expenditure which does not fall within the definition of expenditure for capital purposes, but is treated as capital expenditure by a direction under section 16(2)(b) of the Local Government Act 2003.

(b) GLA's grants and loans total £4.9 billion, including GLA's £1 billion contribution to Crossrail.

(c) This reflects reallocation of expenditure by TfL as part of year end process of reconciling funding to its subsidiaries.

(d) The reason for a significant increase in acquisition of share or loan capital is the higher levels of spend now being witnessed on the Crossrail project, as construction is fully underway.

(e) At the provisional outturn stage some local authorities are not yet able to provide accurate figures on capitalisation. Therefore this could be an underestimate

(f) Capitalisations are difficult for authorities to forecast, for a number of reasons:- (i) no expectation, at time of compiling forecasts, of a need to seek capitalisation approval; (ii) cautious assumptions that approval may not be granted. Therefore forecasts, even after adjustments, are likely to underestimate the outturn for the financial year.

(g) Local authorities subject to the transactions associated with the HRA Self-financing Determinations were required to include the determination in relation to expenditure or receipts and also the financing if applicable. This was a one-off exercise for 2011-12 and figures were provided both inclusive and exclusive of this transaction.

Capital expenditure by service

2. **Chart B** and **Table 2** below illustrate the change in the pattern of expenditure for all the services that the data are collected for between 2008-09 and 2013-14.

- In 2012-13 capital expenditure on central services, and fire and rescue increased each by 21%, whilst housing increased by 11%. However, there has been a decrease in capital expenditure in the same year of about 15% each in education (which excludes expenditure related to academies) and social services, and of around 10% in highways and transport, and in police. Culture and related services fell by 23%, whilst trading services fell by 61%.
- Capital expenditure is forecast to increase in 2013-14 in all services apart from education, which excludes academies and voluntary aided schools. The housing service, which accounted for 19% of expenditure in 2012-13, is forecast to increase by 40% to £5.1 billion in 2013-14. The equivalent forecast figure for highways and transport (almost a third of expenditure in 2012-13) is a 17% increase to some £6.9 billion.

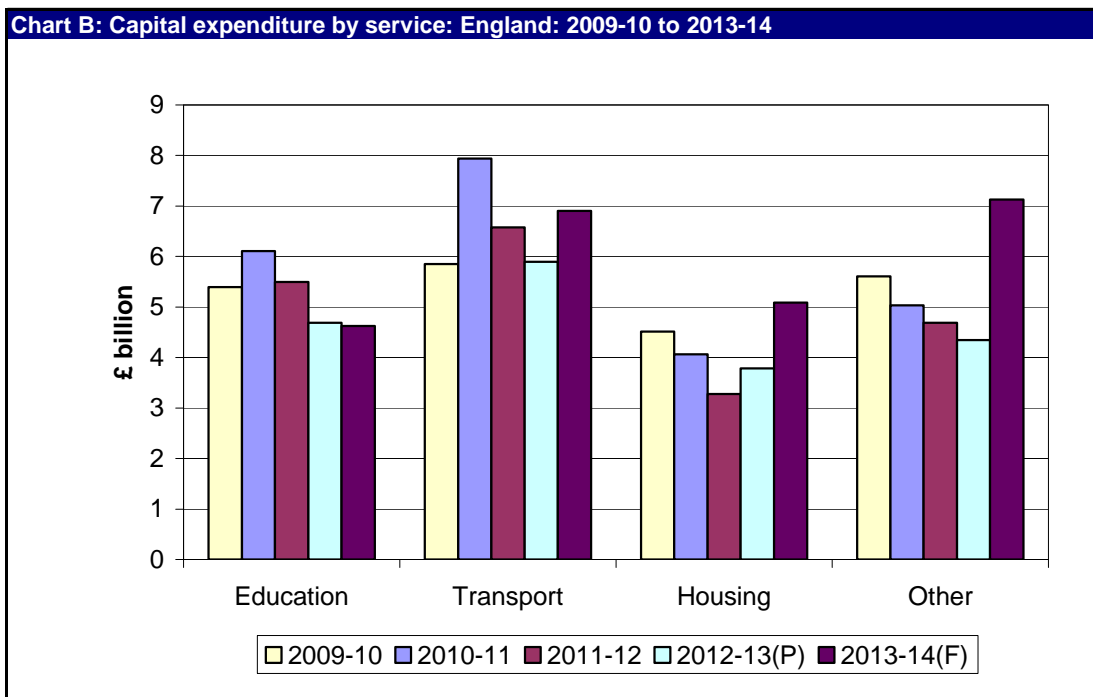


Table 2: Local authority capital expenditure by service: England: 2008-09 to 2013-14

	2008-09	2009-10	2010-11	2011-12	2012-13 (P)	£ million 2013-14 (F)
Education	4,542	5,392	6,107	5,495	4,684	4,626
Highways & transport	4,735	5,851	7,943	6,574	5,898	6,906
<i>of which GLA</i>	1,564	2,699	4,520	3,137	2,880	3,378
Social services	300	288	312	253	214	524
Public health ^(b)	2
Housing	4,901	4,514	4,063	3,274	3,635	5,088
Culture & related services	1,056	1,245	1,147	1,102	845	1,301
Environmental services	604	571	531	488	533	881
Planning & development services	1,081	924	833	653	714	1,304
Police	794 ^(a)	704	602	538	480	572
Fire & rescue	167	189	195	136	165	271
Central services	1,269	1,389	1,110	1,160	1,406	2,004
Trading services	351	295	304	358	138	268
Total capital expenditure	19,801	21,362	23,146	20,032	18,714	23,745

(a) Includes a one-off acquisition of land and existing buildings by Metropolitan Police in 2008-09

(b) Public health grant is being provided in 2013-14 to give local authorities the funding needed to discharge their new public health responsibilities

Tables 3 (a & b) and **4** provide a service breakdown of estimated provisional expenditure and receipts for 2012-13. These figures (and those in Tables 1 and 2) are based on local authorities' own estimates of spending and receipts, further adjusted by increasing local authorities' own estimates of expenditure and receipts to reflect the historic difference between provisional and final estimates.

Table 3a: Local authority capital expenditure on fixed assets by economic category and service: England 2012-13: provisional outturn

	£ million				
	Acquisition of land & existing buildings	New construction, conversion & renovation	Vehicles, plant machinery & equipment	Intangible assets	Total expenditure on fixed & intangible assets
Education	187	4,089	207	6	4,490
Highways & transport	73	2,804	174	13	3,064
Social services	6	127	37	11	180
Housing	173	2,539	30	5	2,747
Culture & related services	26	728	53	1	807
Environmental services	17	317	142	2	478
Planning & development services	122	461	18	3	603
Police	18	195	237	30	480
Fire & rescue	13	56	89	7	165
Central services	364	640	225	93	1,323
Trading services	34	67	15	0	117
TOTAL	1,034	12,023	1,226	171	14,453

Table 3b : Local authority capital expenditure by economic category and service: England 2012-13: provisional outturn

	Total expenditure on fixed & intangible assets	Grants	Loans & other financial assistance	Acquisition of share & loan capital	£ million Total capital expenditure
Education	4,490	171	14	8	4,684
Highways & transport	3,064	933	456	1,445 ^(a)	5,898
Social services	180	33	2	0	214
Housing	2,747	849	39	1	3,635
Culture & related services	807	34	4	0	845
Environmental services	478	28	27	0	533
Planning & development services	603	79	31	2	714
Police	480	0	0	0	480
Fire & rescue	165	0	0	0	165
Central services	1,323	27	56	0	1,406
Trading services	117	16	4	1	138
TOTAL	14,453	2,169	634	1,458	18,714

(a) The reason for a significant increase in acquisition of share or loan capital is the higher levels of spend now being witnessed on the Crossrail project, as construction is fully underway

Table 4: Local authority capital receipts by economic category: England 2012-13: provisional outturn

	Sales of fixed assets		Repayments of grants, loans & financial assistance	Disposals of investments inc. share & loan capital	£ million
	Sales of fixed assets	Sales of intangible assets			Total capital receipts
Education	114	0	10	0	124
Highways & transport	22	0	1	0	23
Social services	89	0	0	0	90
Housing	728 ^(a)	3	19	0	750
Culture & related services	67	0	2	0	70
Environmental services	52	0	2	3	56
Planning & development services	88	1	12	0	101
Police	119	0	1	0	120
Fire & rescue	9	0	2	0	10
Central services	613	0	4	3	620
Trading services	153	0	1	2	155
TOTAL	2,053	5	53	8	2,119

(a) This relates to GLA housing capital spending for affordable housing and decent homes expenditure.

3. **Tables 5 (a & b) and 6** provide a service breakdown of forecast expenditure and receipts for 2013-14. These figures (and those in Tables 1 and 2) are based on local authorities' own estimates of planned spending and receipts, but further adjusted by:

- reducing local authorities' forecast expenditure to reflect the historic pattern of capital programme slippage;
- increasing local authorities' forecasts of receipts to reflect the historic pattern of under recording receipts at the forecast stage.

Table 5a : Local authority capital expenditure on fixed assets by economic category and service: England 2013-14: forecast

	Acquisition of land & existing buildings				Vehicles, plant machinery & equipment	Intangible assets	£ million
	Acquisition of land & existing buildings	New construction, conversion & renovation					Total expenditure on fixed & intangible assets
Education	11	4,445	124	5	4,585		
Highways & transport	86	3,645	175	36	3,942		
Social services	3	339	39	23	404		
Public health	0	1	0	0	2		
Housing	222	3,626	52	4	3,904		
Culture & related services	15	1,184	61	2	1,263		
Environmental & regulatory services	45	641	174	5	865		
Planning & development services	143	792	33	3	972		
Police	11	248	272	40	572		
Fire & rescue	17	141	95	8	260		
Central services incl court services	112	1,198	360	147	1,817		
Trading services	69	159	32	3	262		
TOTAL	734	16,421	1,417	275	18,848		

Table 5b : Local authority capital expenditure by economic category and service: England 2013-14: forecast

					£ million
	Total expenditure on fixed & intangible assets	Grants	Loans & other financial assistance	Acquisition of share & loan capital	Total capital expenditure
Education	4,585	31	10	0	4,626
Highways & transport	3,942	2,671	(a)	292	6,906
Social services	404	32	87	0	524
Public health	2	0	0	0	2
Housing	3,904	829	354	1	5,088
Culture & related services	1,263	30	8	0	1,301
Environmental & regulatory services	865	14	2	0	881
Planning & development services	972	234	94	4	1,304
Police	572	0	0	0	572
Fire & rescue	260	0	10	0	271
Central services incl court services	1,817	20	166	0	2,004
Trading services	262	6	1	0	268
TOTAL	18,848	3,868	1,024	6	23,745

(a) The increase in expenditure reflects an additional £0.8 billion of expenditure within the GLA. The balance relates to additional expenditure incurred by TfL.

Table 6: Local authority capital receipts by economic category: England 2013-14: forecast

					£ million
	Sales of fixed assets	Sales of intangible assets	Repayments of grants, loans & financial assistance	Disposals of investments inc. share & loan capital	Total capital receipts
Education	207	0	3	0	210
Highways & transport	70	0	0	0	70
Social services	88	2	0	0	90
Public health	0	0	0	0	0
Housing	502	4	6	0	512
Culture & related services	91	5	0	0	97
Environmental & regulatory services	27	0	0	0	27
Planning & development services	138	0	4	0	142
Police	118	0	0	0	119
Fire & rescue	16	0	0	0	16
Central services incl court services	591	1	3	0	594
Trading services	142	0	1	0	142
TOTAL	1,990	12	17	0	2,019

Financing of capital expenditure in 2012-13 and 2013-14

4. **Table 7** provides a breakdown of the financing of expenditure from 2008-09 to 2013-14. Figures for 2008-09 to 2011-12 are outturn figures reported by local authorities. The figures for 2012-13 and 2013-14 have been adjusted for likely differences between provisional, final outturn and forecast spending.

- The financing of capital expenditure through central government grants is forecast to remain unchanged at £8.6 billion in both 2012-13 and 2013-14.
- The ten local authorities that have forecast the highest amounts of borrowing not supported by central government in 2013-14 together account for 40.8% of the England total.
- Capital expenditure financed by other borrowing and credit arrangements not supported by central government is forecast to increase by 58% from £4.7 billion in 2012-13 to an expected £7.4 billion in 2013-14. This is mainly due to delays in capital expenditure planned for 2012-13 and full year costs are not yet known with the majority of costs funded by borrowing still to be determined.

Table 7: Financing of local authority capital expenditure: England: 2008-09 to 2013-14

	2008-09	2009-10	2010-11	2011-12	2012-13 (P)	£ million 2013-14 (F)
Central government grants	5,733	7,494	8,063	7,170	8,612	8,600
EU structural funds grants	156	43	38	77	63	89
Grants and contributions from private developers and from leaseholders etc	1,176 ^(a)	502	634	747	633	761
Grants and contributions from NDPBs ^(b)	540	602	753	522	300	369
National lottery grants	106	119	104	121	63	77
Use of capital receipts	2,040	1,603	1,409	1,647	1,319	2,131
Revenue financing of capital expenditure	3,241	3,532	3,984	4,504	2,949	4,335
of which:						
<i>Housing Revenue Account (CERA)</i>	228	247	235	324	463	994
<i>Major Repairs Reserve</i>	1,224	1,377	1,069	1,160	1,267	1,354
<i>General Fund (CERA)</i>	1,789	1,908	2,680	3,020	1,220 ^(c)	1,987
Capital expenditure financed by borrowing/credit	7,241	7,931	8,399	18,819	4,824	7,492
of which:						
SCE(R) Single Capital Pot ^(d)	2,257	2,181	1,581	338	88	73
SCE(R) Separate Programme Element ^(d)	760	748	484	74	34	7
Other borrowing & credit arrangements not supported by central government ^(e)	4,224	5,002	6,335	18,406 ^(f)	4,702	7,411
Total	20,233	21,826	23,385	33,606 ^(f)	18,764	23,854

(a) Includes RSL financing of £483 million for the transfer of Salford's housing stock.

(b) Non-Departmental Public Bodies, organisations that are not government departments but which have a role in the processes of national government, such as the Sport England, English Heritage and Natural England.

(c) This reflects reallocation of expenditure by TfL as part of year end process of reconciling funding to its subsidiaries

(d) Supported capital expenditure (SCE) financed by borrowing that is attracting central government support has been discontinued as of March 31 2011. This may have a bearing on the financing of capital expenditure. A residue of schemes will continue to be financed in reliance of supported borrowing from earlier years.

(e) The Prudential System, which came into effect on 1 April 2004, allows local authorities to raise finance for capital expenditure - without Government consent - where they can afford to service the debt without extra Government support.

(f) It is estimated that approximately £13 billion is associated with the financing of the HRA self-financing determination payment.

Local authorities' own reported information on prudential system: 2012-13 and 2013-14

5. **Tables 8 and 9** provide local authorities' own provisional outturn information about the prudential system in 2012-13 and their forecast information about the prudential system in 2013-14.
6. The Prudential Code for Capital Finance in Local Authorities was developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) as a professional code of practice to support local authorities in taking their decisions. Its key objectives are to ensure that the capital investment plans of local authorities are affordable, prudent and sustainable. As part of this framework the Prudential Code sets out the indicators that must be used.
7. These indicators include forecasts for:
 - capital expenditure;
 - capital financing requirement - a measure that reflects an authority's underlying need to borrow;
 - external debt - gross borrowing and other long-term liabilities;
 - operational boundary for external debt - based on an authority's working estimate of most likely (i.e. prudent), but not worst case scenario;
 - authorised limit for external debt - the intended absolute limit that has to be set by the full Council.

- Local authority external debt was provisionally reported to stand at £81.5 billion at the end of 2012-13, an increase of 5% from 2011-12, and forecast to stand at £89.3 billion at the end of 2013-14, an increase of nearly 10% from 2012-13.
- At the end of 2012-13, local authority net debt (total external debt less investments) provisionally stood at £53.9 billion, an increase of 0.3% from 2011-12. At the end of 2013-14, local authority net debt is forecast to stand at £66.3 billion, an increase of 23% from 2012-13. The increases are due to investments being used to finance expenditure rather than used to repay liabilities.
- At the end of 2012-13, the stock of local authority investments is provisionally reported as £27.6 billion, an increase of 16% from 2011-12. At the end of 2013-14, the stock of local authority investments is forecast at £23.0 billion, a fall of 16% from 2012-13.
- At the end of 2012-13 and 2013-14 the England totals for operational boundaries and authorised limits were provisionally reported at and forecast at £97.2 billion and £111.3 billion, and £104.0 billion and £116.2 billion respectively. This amounts to a year-on-year decrease of 1% for the operational boundary between 2011-12 and 2012-13 and an increase of 7% between 2012-13 and 2013-14. The authorised limit increased by 0.3% between 2011-12 and 2012-13, and is forecast to rise further by 4% between 2012-13 and 2013-14.

Table 8 - Local authority capital finance : prudential information : England 2012-13 : provisional outturn

	£ million		
	as at 1 April 2012	in 2012-13	as at 31 March 2013
Capital Financing Requirement as at 1 April 2012	89,785		
Capital expenditure to be resourced by means of credit (+)		5,497	
Minimum Revenue Provision, Additional contribution from revenue, Contribution from Major Repairs Reserve, Use of receipts (-) ^(a)		2,488	
Change in Capital Financing Requirement		3,009	
Capital Financing Requirement as at 31 March 2013			92,794
Gross borrowing	70,400		72,283
Other long-term liabilities	8,763		9,170
Total external debt	79,163		81,453
Operational boundary for external debt	96,997		97,195
Authorised limit for external debt	109,117		111,263
Investments	24,810		27,567
(a) Any capital receipts used to repay principal of any amount borrowed or to meet any liability in respect of credit arrangements, as authorised in Regulation 23(b) and 23(d). Excludes receipts used under Regulation 23(c) to repay premiums charged in relation to amounts borrowed.			

Table 9 - Local authority capital expenditure : prudential information : England 2013-14 : forecast

	£ million		
	as at 1 April 2013	in 2013-14	as at 31 March 2014
Capital Financing Requirement as at 1 April 2013	92,652		
Capital expenditure to be resourced by means of credit (+)		8,394	
Minimum Revenue Provision, Additional contribution from revenue, Contribution from Major Repairs Reserve, Use of receipts (-) ^(a)		2,561	
Change in Capital Financing Requirement		5,833	
Capital Financing Requirement as at 31 March 2014			98,485
Gross borrowing	73,770		78,797
Other long-term liabilities	10,122		10,496
Total external debt	83,893		89,294
Operational boundary for external debt		103,950	
Authorised limit for external debt		116,232	
Investments	26,036		23,043
(a) Any capital receipts used to repay principal of any amount borrowed or to meet any liability in respect of credit arrangements, as authorised in Regulation 23(b) and 23(d). Excludes receipts used under Regulation 23(c) to repay premiums charged in relation to amounts borrowed.			

8. **Annex A** provides full detail on capital expenditure and receipts as collected on the CER form. This table does not include acquisitions and disposals of share and loan capital, since these are not collected at this level of detail.

Annex A (1): Capital expenditure on fixed assets: all services: England 2013-14: forecast						£ thousand
	Acquisition of land & existing buildings	New construction conversion & renovation	Vehicles	Plant machinery & equipment	Intangible assets	Total expenditure for capital purposes on fixed & intangible assets
	(1)	(2)	(3)	(4)	(5)	(6) (1+2+3+4+5)
Pre-primary & Primary Education	3,919	2,480,166	2,754	39,721	2,332	2,528,892
Secondary Education	6,656	1,480,654	469	67,760	822	1,556,361
Special Education	15	274,343	16	4,068	272	278,715
Other school related education functions and services to young people	304	210,016	753	8,435	1,432	220,940
Education	10,894	4,445,179	3,993	119,984	4,858	4,584,907
Roads (incl. struct. Maint.), Street Lighting & Road Safety	17,456	2,792,922	14,024	25,046	14,142	2,863,590
Parking of Vehicles (including car parks)	627	85,369	99	8,887	656	95,637
Public Integrated Transport (GFRA) - bus	4,154	235,203	4,248	9,018	35	252,658
Public Integrated Transport (GFRA) - other	38,865	505,846	62,697	38,476	21,108	666,991
Airports	0	2,719	0	0	0	2,719
Local Authority Ports and Piers	0	8,834	128	1,398	281	10,641
Tolled road bridges, tunnels & ferries, PTC	24,938	14,268	0	10,834	0	50,039
Highways & transport	86,039	3,645,160	81,195	93,659	36,221	3,942,274
Social services	3,346	339,162	3,519	35,632	22,782	404,441
Public health	0	1,160	240	156	29	1,584
Housing	222,081	3,625,804	1,258	50,993	4,154	3,904,289
Culture and heritage	1,785	224,196	84	8,014	443	234,521
Recreation and sport	11,824	670,513	2,067	22,960	1,377	708,741
Open Spaces	1,607	147,623	8,559	12,419	134	170,342
Tourism	16	26,167	75	962	6	27,226
Library Services	144	115,786	629	4,849	265	121,672
Culture & related services	15,376	1,184,284	11,414	49,204	2,224	1,262,503
Cemeteries, Cremation and Mortuary	4,941	45,440	303	4,446	39	55,169
Coast Protection	323	46,156	0	140	3,810	50,429
Community Safety	0	15,805	156	1,632	19	17,612
Community Safety (CCTV)	15	5,711	10	28,123	24	33,883
Flood Defence and Land Drainage	0	43,732	0	12	0	43,743
Agriculture and Fisheries Services	0	4,392	0	113	0	4,505
Regulatory Services (Environmental Health)	338	19,908	364	1,581	427	22,619
Regulatory Services (Trading Standards)	0	528	994	130	32	1,683
Street Cleaning (not chargeable to highways)	0	1,241	9,413	1,946	37	12,637
Waste Collection	1,460	83,137	51,262	31,249	262	167,370
Waste Disposal	36,139	159,367	536	1,951	74	198,066
Trade Waste	0	6,732	621	566	0	7,920
Recycling	1,956	42,902	8,648	12,184	84	65,774
Waste Minimisation	0	34,270	0	712	0	34,982
Climate Change Costs	0	131,945	2,100	14,403	63	148,511
Environmental & regulatory services	45,172	641,268	74,405	99,188	4,873	864,905
Planning & development services	143,258	792,434	198	33,264	2,916	972,069
Police	10,914	248,484	80,917	191,459	39,772	571,546
Fire & rescue	16,635	141,056	54,189	40,803	7,652	260,335
Central Services incl court services	112,083	1,197,927	76,832	283,105	146,999	1,816,946
Industrial and Commercial Trading	65,703	98,582	8,705	7,037	0	180,028
Other Trading	2,922	60,379	13,914	2,086	2,578	81,879
Trading services	68,626	158,962	22,620	9,123	2,578	261,907
Total all services	734,423	16,420,879	410,779	1,006,569	275,056	18,847,706

Annex A (2): Capital expenditure: all services: England 2013-14: forecast

	£ thousand			
	Total expenditure for capital purposes on fixed & intangible assets	Expenditure on grants	Expenditure on loans & other financial assistance	Total Expenditure ^(a)
	(6) (1+2+3+4+5)	(7)	(8)	(9) (6+7+8)
Pre-primary & Primary Education	2,528,892	9,441	472	2,538,804
Secondary Education	1,556,361	18,353	3,076	1,577,790
Special Education	278,715	301	0	279,016
Other school related education functions and services to young people	220,940	3,011	6,298	230,248
Education	4,584,907	31,106	9,846	4,625,859
Roads (incl. struct. Maint.), Street Lighting & Road Safety	2,863,590	5,387	19	2,868,996
Parking of Vehicles (including car parks)	95,637	115	0	95,752
Public Integrated Transport (GFRA) - bus	252,658	41,755	0	294,413
Public Integrated Transport (GFRA) - other	666,991	2,620,528	292,383	3,579,902
Airports	2,719	0	0	2,719
Local Authority Ports and Piers	10,641	3,648	0	14,289
Tolled road bridges, tunnels & ferries, PTC	50,039	0	0	50,039
Highways & transport	3,942,274	2,671,433	292,403	6,906,109
Social services	404,441	32,105	87,062	523,609
Public health	1,584	0	0	1,584
Housing	3,904,289	828,502	354,044	5,086,836
Culture and heritage	234,521	11,201	5,760	251,483
Recreation and sport	708,741	14,855	2,027	725,623
Open Spaces	170,342	3,132	42	173,516
Tourism	27,226	201	0	27,426
Library Services	121,672	926	0	122,599
Culture & related services	1,262,503	30,315	7,829	1,300,646
Cemeteries, Cremation and Mortuary	55,169	29	168	55,366
Coast Protection	50,429	23	0	50,452
Community Safety	17,612	801	0	18,413
Community Safety (CCTV)	33,883	0	0	33,883
Flood Defence and Land Drainage	43,743	1,437	0	45,180
Agricultural and Fisheries Services	4,505	0	0	4,505
Regulatory Services (Environmental Health)	22,619	586	0	23,204
Regulatory Services (Trading Standards)	1,683	0	0	1,683
Street Cleaning (not chargeable to highways)	12,637	0	0	12,637
Waste Collection	167,370	1,762	384	169,516
Waste Disposal	198,066	5,425	0	203,491
Trade Waste	7,920	0	0	7,920
Recycling	65,774	51	0	65,825
Waste Minimisation	34,982	0	0	34,982
Climate Change Costs	148,511	4,103	1,263	153,877
Environmental & regulatory services	864,905	14,216	1,815	880,936
Planning & development services	972,069	257,913	93,833	1,323,815
Police	571,546	0	0	571,546
Fire & rescue	260,335	288	10,180	270,803
Central Services incl court services	1,816,946	20,200	166,431	2,003,578
Industrial and Commercial Trading	180,028	5,731	0	185,759
Other Trading	81,879	150	594	82,623
Trading services	261,907	5,881	594	268,382
Total all services	18,847,706	3,891,959	1,024,038	23,763,703

(a) Figures in this column do not include acquisitions of share and loan capital

Annex A (3): Capital receipts: all services: England 2013-14: forecast

	£ thousand			
	Sales & disposal of tangible fixed assets	Sales of intangible assets	Repayments of grants loans & other financial assistance	Total in-year receipts ^(a)
	(10)	(11)	(12)	(10+11+12)
Pre-primary & Primary Education	79,243	0	0	79,243
Secondary Education	91,292	0	170	91,462
Special Education	15,775	0	0	15,775
Other school related education functions and services to young people	20,847	0	3,032	23,879
Education	207,157	0	3,202	210,359
Roads (incl. struct. Maint.), Street Lighting & Road Safety	15,468	0	3	15,471
Parking of Vehicles (including car parks)	32,438	0	0	32,438
Public Integrated Transport (GFRA) - bus	0	0	0	0
Public Integrated Transport (GFRA) - other	22,125	0	0	22,125
Airports	0	0	0	0
Local Authority Ports and Piers	0	0	0	0
Tolled road bridges, tunnels & ferries, PTC	0	0	0	0
Highways & transport	70,031	0	3	70,034
Social services	87,977	1,961	0	89,938
Public health	200	0	0	200
Housing	501,611	4,262	5,699	511,572
Culture and heritage	3,507	0	24	3,531
Recreation and sport	55,647	0	316	55,963
Open Spaces	22,633	5,100	25	27,758
Tourism	292	0	0	292
Library Services	9,338	0	0	9,338
Culture & related services	91,417	5,100	365	96,882
Cemeteries, Cremation and Mortuary	938	0	0	938
Coast Protection	3,290	0	0	3,290
Community Safety	148	0	0	148
Community Safety (CCTV)	0	0	0	0
Flood Defence and Land Drainage	400	0	0	400
Agriculture and Fisheries Services	19,649	0	0	19,649
Regulatory Services (Environmental Health)	1,028	0	0	1,028
Regulatory Services (Trading Standards)	0	0	0	0
Street Cleaning (not chargeable to highways)	36	0	0	36
Waste Collection	411	0	0	411
Waste Disposal	443	0	139	582
Trade Waste	33	0	0	33
Recycling	125	0	0	125
Waste Minimisation	0	0	0	0
Climate Change Costs	0	0	0	0
Environmental & regulatory services	26,501	0	139	26,640
Planning & development services	137,846	0	4,056	141,902
Police	118,296	93	200	118,589
Fire & rescue	15,839	0	0	15,839
Central Services incl court services	590,764	756	2,726	594,246
Industrial and Commercial Trading	137,395	0	595	137,990
Other Trading	4,490	0	0	4,490
Trading services	141,885	0	595	142,480
Total all services	1,989,524	12,172	16,985	2,018,681

(a) Figures in this column do not include disposals of share and loan capital

Terminology used in this release

A set of terms relating to local government finance is given in the glossary at *Annex G to Local Government Financial Statistics England No. 23 2013*. This is accessible at <https://www.gov.uk/government/publications/local-government-financial-statistics-england-2013>. The most relevant terms for this release are explained below.

Capital expenditure – expenditure on the acquisition of fixed assets or expenditure, which adds to and does not merely maintain the value of existing fixed assets.

Capital receipts – income from the sale of capital assets. Such income may only be used to repay loan debt or to finance new capital expenditure.

Capitalised current expenditure – expenditure which would normally score as current expenditure but which a local authority has been allowed to capitalise, with the permission of the Secretary of State (e.g. redundancy payments).

Capital expenditure charged to revenue account (CERA) – a method of financing capital expenditure where the expenditure is financed direct from revenue account in the year it is incurred

Credit arrangements – forms of credit that do not involve the borrowing of money by a local authority. For example leases of land (including buildings) or other property and contracts which provide for external credit (in the sense that there is more than a full financial year gap between the giving of value to the authority and the payment for that value).

Greater London Authority (GLA) – this includes GLA and its constituent bodies, the Mayor's Office for Policing, London Fire and Emergency Planning Authority, Transport for London (TfL) and London Legacy Development Corporation (LLDC). Capital expenditure and receipts are reported by the GLA and the four functional bodies as a group and individually.

Minimum Revenue Provision – the minimum amount which must be charged to a revenue account each year and set aside as provision for repaying external loans and meeting other credit liabilities

Prudential capital finance system – this is the informal name for the system introduced on 1 April 2004 by Part 1 of the Local Government Act 2003. It allows local authorities to borrow without Government consent, provided that they can afford to service the debt from their own resources.

The Prudential Code – a professional code of practice prepared by the CIPFA, for the prudential system introduced on 1 April 2004. Local authorities are required by legislation to have regard to the code.

Supported Capital Expenditure – the term for most forms of central government support for local authority capital expenditure from 1 April 2004. Supported Capital Expenditure (Revenue) – SCE(R) – is the amount of expenditure towards which revenue support grant will be paid to a local authority on the cost of its borrowing. The revenue grant support is provided to help authorities with the costs of financing loans. This form of financial support will be discontinued from 2011-12 so only expenditure financed from borrowing undertaken in previous years will be recorded after 2011-12.

Data quality

The United Kingdom Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics.

Designation can be broadly interpreted to mean that the statistics:

meet identified user needs;

are well explained and readily accessible;

are produced according to sound methods, and

are managed impartially and objectively in the public interest.

Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.

The adjustments made to local authorities' own estimates in order to calculate the main estimates include an assessment of the difference between CPR4 estimates and CER estimates respectively and final outturn information for recent years where outturn data are available. The adjustment made for underestimation of capital expenditure and receipts in the CPR4 returns was 1.01 and 1.05 respectively. Corresponding adjustments for CER were made for the overestimation of expenditure and underestimation of receipts of 0.96 and 1.00 respectively.

Further adjustments have been made to avoid double counting the GLA grants to other London authorities.

The information for 2012-13 in this release is derived from Capital Payments and Receipts Returns (CPR4) submitted to Communities and Local Government by English local authorities and is based on returns from all 444 authorities that complete the return. The information for 2013-14 is derived from Capital Estimates Returns (CER) submitted by all 444 local authorities in England.

Only data for authorities that have completed a valid form is used in the computation of national figures for the statistical release. If we do not hold a complete set of capital data for authorities in England, we use the grossing methodology to compute the national figures. This method does not calculate figures for missing or invalid authorities; it only derives an England national figure based on the following properties;

- i. data currently held from validated authorities
- ii. number of missing or invalid authorities and what type of classification group they fit in (e.g. Single Purpose Authorities, Shire Districts, Shire Counties, Unitary Authorities, Metropolitan Districts, London Boroughs etc.)

As we usually receive valid data from all authorities in England there has not been a need to use this grossing methodology.

Figures are subjected to rigorous pre-defined validation tests both within the forms themselves, while the forms are being completed by the authority and also in Communities and Local Government itself as the data are received and stored. These include:

- 1) **In form validation:** This refers to warnings that are built into the excel forms that are sent to authorities. Forms have been pre-programmed with sense checks to highlight figures outside a set range. If an authority inputs figures that are likely to be incorrect, the form

flags up to the officer inputting the data that this value could be incorrect. In some fields the figure can still be accepted if a reason is given whereas some cells will definitely be rejected as it is deemed impossible. In the majority of cases this means that the forms are returned completed and without any validation queries.

- 2) **CLASS (Computerised Local Authority Statistics System) validation:** Once the figures have been received by DCLG, they get inputted onto the CLASS database, which has built in checks that return errors and warnings for unexpected figures. CLASS can then be asked to output a list of warnings and errors which a team member can look through and contact an authority about if necessary.
- 3) **Manual (or analytical) validation:** These are extra checks done manually by the teams to double check the figures they receive. During this process the teams also liaise with relevant policy sections and the Group Accountant to clarify and rectify any anomalies. Furthermore the data received from LAs are compared with other data sources (both internal and external).
- 4) **Post validation:** Figures get checked and double-checked on the statistical releases. Particular attention is paid to making sure the values have been entered correctly and the figures on the graphs and tables correlate with each other.

Service Reporting Code of Practice (SeRCOP) is a set of general guidance notes which are provided to local authorities, providing them with instructions on how to account on various elements of public service expenditure. The services are primarily broken down into a few main groups (e.g. Children and Family Services, Housing Services, Central services). Within each group, detailed guidance is provided on all possible elements of spending, which a Local Authority (LA) could have responsibility over. The SeRCOP is used by all LAs as a foundation for constructing their accounts in the financial year. Therefore the categorisation defined by SeRCOP is used as a basis for our form design and guidance, enabling LA to report their financial data under the correct headings – improving quality of the outputs. In-depth discussions take place with several authorities, prior to them being put forward to Central and Local Government Information Partnership/Finance (CLIP/F) for agreement, as part of our ongoing review of enhanced data collection. CLIP/F is also kept informed of the full planned developments to meet the HM Treasury and ONS requirements

Finally, the release document, once prepared, is also subject to intensive peer review before being cleared as fit for the purposes of publication.

Uses made of the data

The data in this Statistical Release are important for a number of different purposes. They are used to provide ministers in CLG, HM Treasury and the Office for National Statistics (ONS) with the most up to date information available on local authority capital spending and how they are financed. The ONS use the information for National Accounts and public sector finances for which the service breakdown is used. In particular, the data are often provided to HM Treasury to inform the Chancellor's Pre-Budget Report or for government spending reviews. Audit Commission uses the data in their report on "Protecting the Public Purse". Information from this release such as capital receipts and self-financed borrowing are used by policy colleagues.

In addition, the returns are important sources for answering Parliamentary Questions and other requests for information by Ministers, local authorities and their associations and the general public. Local authorities also use the information for comparisons between authorities and value for money profiling.

Background Notes

1. For press enquiries about this Statistical Release please contact the Local Government press desk on 0303 444 1201 or email press.office@communities.gsi.gov.uk. For other enquiries please telephone Peter Crosland 0303 44 42336 or email capital.receipts@communities.gsi.gov.uk.
2. This Statistical Release can be found at the following web address:
<https://www.gov.uk/government/organisations/department-for-communities-and-local-government/about/statistics#statistical-series>
3. Timings of future Releases are regularly placed on the Department's website, <https://www.gov.uk/government/organisations/department-for-communities-and-local-government/about/statistics#forthcoming-publications> and on the ONS National Statistics web site, <http://www.statistics.gov.uk/hub/release-calendar/index.html>
4. Please see the web link below for access to the papers tabled to the 'Central and Local Information Partnership – Finance' (CLIP-F) group,
<http://www.clip.local.gov.uk/lgv/core/page.do?pagelId=31626>

CLIP Finance (CLIP F) is a consultative group which considers the collection, presentation and analysis of data on local government finance. It has been in existence since 2006, prior to this the group was known as Working Group on Local Government Financial Statistics (WGLGFS). The membership consists of representatives from central government departments, local government, CIPFA and the Audit Commission, and generally meets three times a year. To ensure users are made aware of significant changes and adjustments to Local Government Finance forms papers are tabled, discussed and published. Please visit the website for details of likely changes for future Revenue/Capital statistical releases.

5. Further information is also available on the department's website
<https://www.gov.uk/government/publications?departments%5B%5D=department-for-communities-and-local-government>
6. For a fuller picture of recent trends in local government finance readers are directed to *Local Government Financial Statistics England No. 23 2013* which is available in hard copy from product@communities.gsi.gov.uk (Tel 0300 123 1124) and electronically in PDF format via the Department's web site:
<https://www.gov.uk/government/publications?departments%5B%5D=department-for-communities-and-local-government>
7. The statistics in this Release are for England only. Statistics for Wales and Scotland can be found at wales.gov.uk/topics/statistics/theme/loc-gov/?lang=en and www.scotland.gov.uk/topics/statistics/browse/local-government-finance respectively.

Symbols and conventions

...	=	not available
0	=	zero or negligible
–	=	not relevant
	=	discontinuity
F	=	forecast
P	=	provisional

Rounding

Where figures have been rounded, there may be a slight discrepancy between the total and the sum of constituent items.

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