

## LOCAL AUTHORITY CAPITAL EXPENDITURE 2000/01 PROVISIONAL OUTTURN

1. This report gives details of the Capital Payments Return (CPR4) covering the period April 2000 to March 2001. The analysis is based on returns from 480 out of 488 authorities in England. The results have been grossed to allow for missing authorities.

### Local authorities' estimates for 2000/01

2. **Tables 1 and 2** show unadjusted summaries of provisional outturn for local authorities' capital expenditure and receipts during 2000/01. Gross expenditure in England was £7,991m with capital receipts at £3,309m. These compare with £6,912m and £3,651m for final outturn expenditure and receipts in 1999/2000. **Table 3** which is also based on unadjusted information, gives details of the financing of capital expenditure. The increase in capital expenditure between 1999/2000 and 2000/01 has been financed by increases in the use of Credit Approvals (from £2,301m to £3,202m) and Capital Grants from Central Government (from £1,168m to £1,413m).

### Capital expenditure and receipts (PES basis)

3. The figures have been adjusted to give estimates for PES purposes (Table 4.) as explained below. On this basis, capital expenditure in 1999/2000 is estimated at **£8.1bn**, with receipts at **£3.5bn**. The previous estimates for expenditure and receipts, based on the third quarter (CPR3) returns, were £8.5bn and £3.6bn respectively. A comparison with earlier figures is shown below:

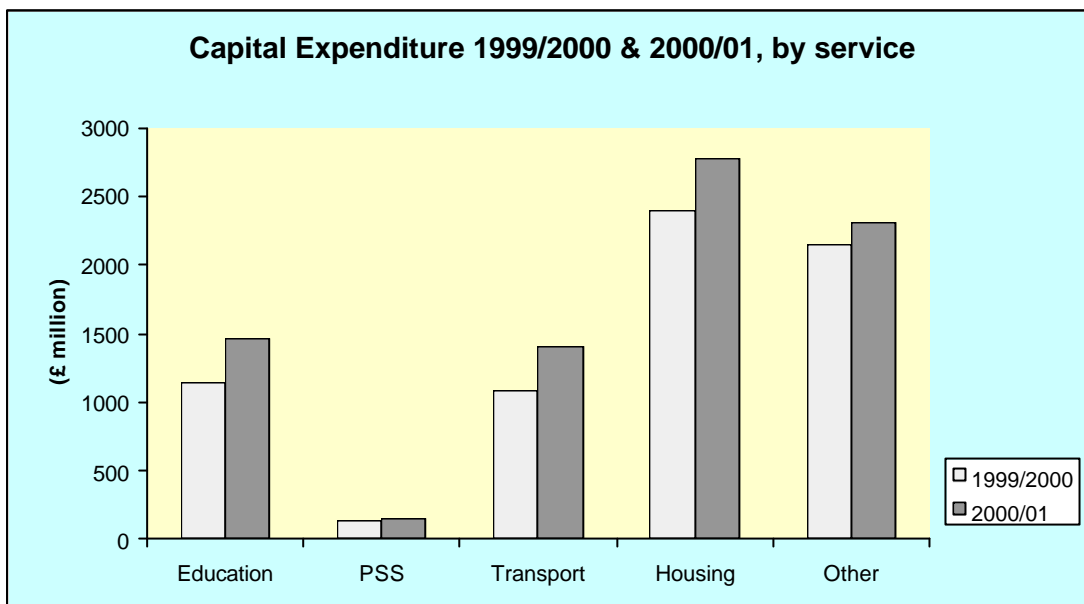
### Local authority capital expenditure and receipts (PES basis)

	£ billion		
	1998/99	1999/2000	2000/01
	Final	Final	Provisional
	COR	COR	CPR4
<b>Expenditure</b>	6.6	6.9	8.1
<b>Receipts</b>	2.7	3.6	3.5
of which:			
<b>LSVTs</b>	0.5	0.7	0.7

**Table 4** shows a breakdown of the figures by service.

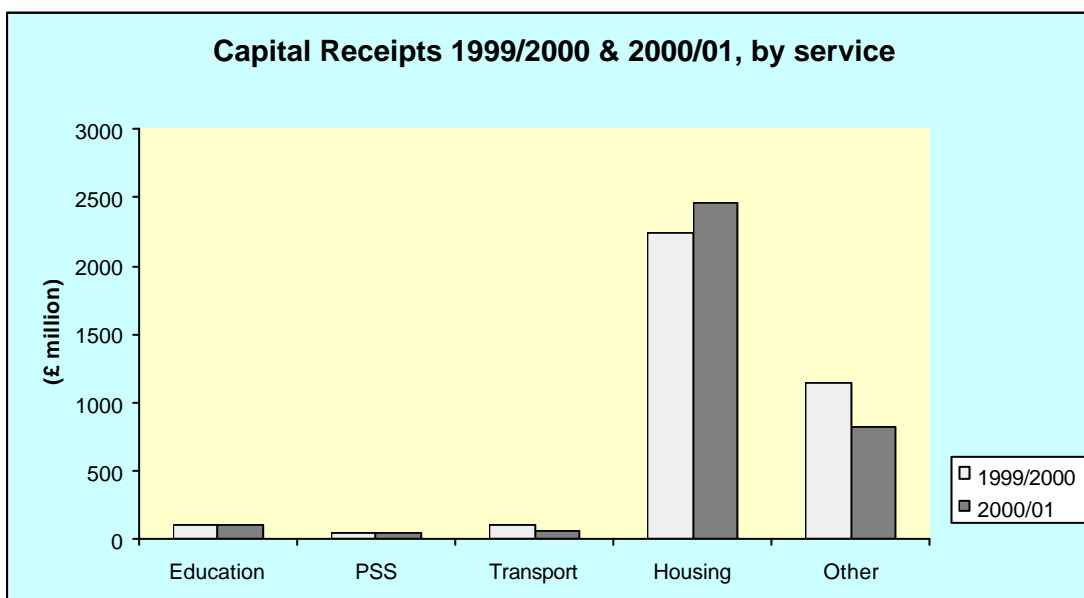
4. Expenditure in 2000/01 is estimated to be about £1.2bn higher than in 1999/2000. Figure 1 shows the year-to-year change by service block. Most of this is due to an increase in payments for fixed assets of almost £1.1bn (a rise of 15%). In absolute terms, most of the increase can be attributed to Education, Transport, Housing and Other services.

**Figure 1**



5. Capital receipts in 2000/01 are estimated to have decreased by £169m compared to 1999/2000. The majority of this is due to a reduction in receipts from the disposal of investments. Although, receipts from the sales of fixed assets increased by only 2% in total, there was within this an increase of £223m (10%) in Housing partially offset by a reduction of £98m (-15%) in Other services.

**Figure 2**



6. The 2000/01 PES totals have been calculated by taking account of local authorities= annual forecasts of capital expenditure adjusted to reflect the historic trend in capital expenditure between provisional and final outturn. Estimated transfers of grant between GLA and other London authorities have been excluded.

7. Regeneration expenditure is included under the relevant service headings.

Local Government Finance Statistics

DETR

October 2001

**TABLE 1: CAPITAL EXPENDITURE - PROVISIONAL OUTTURN 2000/01 ENGLAND  
UNADJUSTED CPR4 FIGURES**

£ million

	Acquisitions of land, buildings & works	New construction & conversion	Vehicles, plant equipment & machinery	<b>Total expenditure on fixed assets (a+b+c) (d)</b>	Capital grants and advances	Acquisition of share or loan capital	Credit cover for credit arrangements	<b>TOTAL CAPITAL EXPENDITURE (d+e+f+g) (h)</b>	Regeneration expenditure incl. in (h) (i)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Education	20	1352	67	<b>1439</b>	9	0	0	<b>1448</b>	22
Personal Social Services	5	112	24	<b>141</b>	6	0	0	<b>147</b>	0
Transport	53	1246	44	<b>1343</b>	48	0	1	<b>1392</b>	35
Housing	163	1719	41	<b>1924</b>	810	2	0	<b>2736</b>	165
Agriculture and fisheries	2	17	1	<b>20</b>	0	0	0	<b>20</b>	1
Arts and Libraries	3	120	10	<b>133</b>	8	0	0	<b>142</b>	8
Sport and Recreation	25	204	17	<b>246</b>	9	0	0	<b>255</b>	12
Fire and Civil Defence	2	19	23	<b>44</b>	0	0	0	<b>44</b>	0
Police and Probation	9	95	170	<b>274</b>	1	0	1	<b>276</b>	0
Magistrates Courts	1	14	4	<b>18</b>	0	0	0	<b>19</b>	0
Other <sup>(a)</sup>	133	1027	146	<b>1306</b>	121	79	7	<b>1512</b>	260
<b>TOTAL</b>	<b>417</b>	<b>5926</b>	<b>546</b>	<b>6888</b>	<b>1012</b>	<b>80</b>	<b>10</b>	<b>7991</b>	<b>503</b>

(a) 'Other' includes Other environmental services, Consumer protection, and Employment services

**TABLE 2: CAPITAL RECEIPTS - PROVISIONAL OUTTURN 2000/01 ENGLAND  
UNADJUSTED CPR4 FIGURES**

£ million

	Disposal of fixed assets	Repayment of grants & advances	Disposal of investments inc. share or loan capital	Leasing disposals	<b>TOTAL CAPITAL RECEIPTS</b>  <b>(a+b+c+d) (e)</b>
	(a)	(b)	(c)	(d)	(e)
Education	104	0	0	0	<b>105</b>
Personal Social Services	42	0	0	1	<b>43</b>
Transport	62	0	0	0	<b>62</b>
Housing	2173	76	0	26	<b>2275</b>
Agriculture and fisheries	43	0	0	0	<b>44</b>
Arts and Libraries	5	0	0	0	<b>5</b>
Sport and Recreation	10	0	0	0	<b>11</b>
Fire and Civil Defence	6	0	0	2	<b>8</b>
Police and Probation	95	0	0	0	<b>95</b>
Magistrates Courts	2	0	0	0	<b>2</b>
Other <sup>(a)</sup>	561	8	83	7	<b>659</b>
<b>TOTAL</b>	<b>3103</b>	<b>85</b>	<b>83</b>	<b>37</b>	<b>3309</b>

(a) 'Other' includes Other environmental services, Consumer protection, and Employment services

TABLE 3

<b>LOCAL AUTHORITY CAPITAL EXPENDITURE AND RECEIPTS 2000/01 UNADJUSTED CPR4 FIGURES</b>	<b>ENGLAND</b>
	<b>£ million</b>
Acquisitions of land and existing buildings and works	417
New construction and conversion	5926
Vehicles, plant equipment and machinery	546
Payments on fixed assets	<u>6888</u>
Grants and advances	1012
Acquisition of share or loan capital	80
Credit cover required for credit arrangements	10
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>7991</b>
Section 40(6) direction expenditure	143
Amounts to be set aside in respect of notional capital receipts and LSVT levy	44
<b>TOTAL EXPENDITURE AND OTHER TRANSACTIONS</b>	<b>8178</b>
Disposal of fixed assets	3103
Repayments of grants and advances	85
Leasing disposals	37
Disposal of investments incl. share or loan capital	83
<b>TOTAL CAPITAL RECEIPTS</b>	<b>3309</b>
Credit Approvals available	3410
Accumulated usable capital receipts at 1/4/00	1824
Usable part of receipts received in 2000/01	1749
Accumulated grants from previous years (police authorities)	92
Capital grants from central government	1413
Grants and contributions from European Structural Funds	178
Grants and contributions from private developers	263
Grants and contributions from NDPBs	145
Funding from the National Lottery	223
Other resources available to debt free authorities	796
<b>TOTAL RESOURCES AVAILABLE (excl. revenue contributions)</b>	<b>10093</b>
Basic Credit Approvals used	2258
Supplementary Credit Approvals used	944
Expenditure reimbursed by grants and contributions	2218
Use of usable capital receipts	1544
Capital expenditure financed from the Housing Revenue Account	228
Capital expenditure financed from the General Fund Revenue Account	662
Use of other resources by debt free authorities	324
<b>TOTAL RESOURCES USED TO FINANCE CAPITAL EXPENDITURE</b>	<b>8178</b>
Usable receipts that have been voluntarily set aside in 2000/01	101

**TABLE 4: LOCAL AUTHORITY CAPITAL EXPENDITURE : 2000/01 FORECAST FROM CPR4 RESULTS (PES basis) ENGLAND**

	Payments for fixed assets	Grants and advances	Acquisition of share or loan capital	Credit cover for credit arrangements	<b>GROSS EXPENDITURE (a+b+c+d)</b>	Urban/ Regeneration  incl. in (e) (f)	Receipts from sale of fixed assets	Repayments of grants and advances	Disposal of investments inc. share or loan capital	Leasing disposals	£million <b>TOTAL CAPITAL RECEIPTS (g+h+i+j)</b>
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
Education	1459	9	0	0	<b>1468</b>	22	103	0	0	0	<b>103</b>
Personal Social Services	143	6	0	0	<b>149</b>	0	41	0	0	1	<b>42</b>
Transport	1362	49	0	1	<b>1412</b>	35	62	0	0	0	<b>62</b>
Housing	1951	822	2	0	<b>2775</b>	167	2357	75	0	26	<b>2458</b>
Arts and Libraries	135	8	0	0	<b>143</b>	8	5	0	0	0	<b>5</b>
Sport and Recreation	250	9	0	0	<b>259</b>	12	10	0	0	0	<b>10</b>
Agriculture	20	0	0	0	<b>20</b>	1	43	0	0	0	<b>43</b>
Fire and Civil Defence	44	0	0	0	<b>44</b>	0	6	0	0	2	<b>8</b>
Police and Probation	278	1	0	1	<b>280</b>	0	95	0	0	0	<b>95</b>
Magistrates	29	0	0	0	<b>29</b>	0	2	0	0	0	<b>2</b>
Other <sup>(a)</sup>	1325	122	80	8	<b>1535</b>	264	557	8	82	7	<b>654</b>
<b>TOTAL</b>	<b>6996</b>	<b>1026</b>	<b>82</b>	<b>10</b>	<b>8114</b>	<b>509</b>	<b>3281</b>	<b>83</b>	<b>82</b>	<b>36</b>	<b>3482</b>

(a) 'Other' includes Other environmental services, Consumer protection, and Employment services