

## **Net current expenditure on a Non FRS 17 Basis: Highway Maintenance in England - 2006-07, 2007-08 and 2008-09**

### **Terminology used**

A set of terms relating to local government finance is given in the glossary at *Annex G to Local Government Financial Statistics England No. 19 2009*. This is accessible at:

[www.communities.gov.uk/documents/localgovernment/pdf/1194710.pdf](http://www.communities.gov.uk/documents/localgovernment/pdf/1194710.pdf)

The most relevant terms for this release are explained below.

**Net current expenditure** - is, essentially, spending on services. It is defined as expenditure on employees and running expenses net of **sales, fees and charges**, internal recharges, other non-grant income (such as receipts from other authorities), but gross of expenditure funded by **specific grants** and interest receipts.

**Financial Reporting Standard 17 (FRS 17)** - From 2003-04 local authorities' final accounts were required to comply in full with Financial Reporting Standard 17 (FRS17) on retirement benefits. This requires future liabilities for retirement benefits to be recognised in the accounts for all the main categories of local government employees (other than teachers) - income from the sale of capital assets. Such income may only be used to repay loan debt or to finance new capital expenditure.

**General Fund revenue account** - the General Fund is the fund within which, since April 1990, most transactions of a local authority take place. Other funds held by a local authority may include a collection fund, superannuation fund and trust funds held for charitable purposes.

**RO Revenue Outturn Returns** - suite of forms gathering outturn figures for the **General Fund Revenue Account** consisting of the RS, RG, RO1 to RO6, **TSR** and **SAR**.

### **Data quality**

The non FRS 17 highway maintenance expenditure data are produced to a high professional standard. The data in this table are derived from a Highway Maintenance non FRS 17 expenditure for 2006-07, 2007-08 and 2008-09 spreadsheet return submitted to Communities and Local Government by English upper tier local authorities during July-December 2009. Data are based on returns from 144 (out of 150) authorities that are expected to complete the return. FRS 17 RO2 data have been used for any missing returns.

## **Uses made of the data**

The Department collected the data using one-off survey on non FRS 17 highway maintenance expenditure for 2006-07, 2007-08 and 2008-09. The one-off survey was considered necessary as the data are not currently collected by the Department on the current RO suite of returns and data on a non FRS 17 basis were considered more suitable than adjusting the FRS 17 data for use in any analysis.

The 2006-07 & 2007-08 non FRS 17 data for individual local authorities have been revised slightly from those published in September following the receipt of missing returns and further quality assurance checks. The 2008-09 non FRS 17 data are also published here following the publication of the 2008-09 FRS 17 RO expenditure data statistical release. All 3 years of non FRS 17 data are subject to further quality assurance checks prior to use in any analysis.

## **Background Notes**

1. For information on this dataset please telephone Karen Sussex or Nigel Harrison on either 0303 444 42138/42146.
2. Further local government finance statistics can be found at the following weblink:

<http://www.communities.gov.uk/localgovernment/localgovernmentfinance/localgovernmentfinance/statistics>

3. For a fuller picture of recent trends in local government finance readers are directed to *Local Government Financial Statistics England No. 19 2009* which is available in hard copy from Communities and Local Government Publications, Tel. 0300 123 1124 email [product@communities.gsi.gov.uk](mailto:product@communities.gsi.gov.uk) and electronically in PDF format via the Department's web site:

<http://www.communities.gov.uk/publications/corporate/statistics/financialstatistics192009>