

report

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Committee	CIPFA/LASAAC
Venue	Barceló Carlton Hotel, Edinburgh
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Subject	Consultation on Transport Infrastructure Assets Code

Purpose

The purpose of this report is to inform CIPFA/LASAAC of the consultation on the Transport Infrastructure Assets Code

1 Introduction

- 1.1 CIPFA has recently published an exposure draft of the Transport Infrastructure Assets Code. The consultation on the exposure draft will close on 14 December 2009.

2 Consultation

- 2.1 The purpose of the Transport Infrastructure Assets Code is to support an asset management plan (AMP) based approach to the provision of financial information about local authority transport infrastructure assets. The intention is that each authority should develop a single set of financial management information about these assets which is robust and consistent between transport authorities and supports:

- good, evidence based, asset management, including the development of more cost effective maintenance and replacement programmes;
- delivery of efficiency savings and service improvements;
- long term financial planning and budgeting;
- corporate capital planning and the operation of the Prudential Code;
- performance assessment and benchmarking;
- resource allocation, locally, at regional level and nationally;
- production of transparent information for stakeholders on the authority's management of its highway assets;
- production of financial information that is compliant with International Financial Reporting Standards (IFRS) and meets the needs of Whole of Government Accounts (WGA) and National Accounts;
- any future move to current value financial reporting of the assets in local authorities' own accounts.

- 2.2 The consultation document on the Code is available to download from the CIPFA web site at <http://www.cipfa.org.uk/pt/infrastructure/>.

- 2.3 A copy of the covering letter sent to all authorities is attached at Appendix A to this report.
- 2.4 Members will note that the final bullet point in paragraph 2.1 (which is taken from the consultation document) refers to “any future move to current value financial reporting of the assets in local authorities’ own accounts.” CIPFA/LASAAC is asked to consider:
- i) the practical impact of the Transport Infrastructure Assets Code on financial management in local authorities;
 - ii) the adequacy of the Code as a potential future basis for financial reporting;
 - iii) any issues that would need to be addressed in taking a decision on a change to the reporting basis for transport infrastructure assets;
 - iv) whether CIPFA/LASAAC wishes to respond to the consultation.

Recommendation

CIPFA/LASAAC is asked to:

- 1) Note the publication of the consultation on the Transport Infrastructure Assets Code.**
- 2) Consider the implications of the Transport Infrastructure Assets Code for future editions of the Accounting Code, taking into account the issues highlighted in paragraph 2.4.**