

Compendium

Gross fixed capital formation supplementary tables



Contact:
Emma Howley
blue.book.coordination@ons.gsi.gov.uk

Release date:
29 July 2016

Next release:
October 2017

Notice

30 September 2016

Following a quality review it has been identified that the methodology used to estimate elements of purchased software within gross fixed capital formation (GFCF) has led to some double counting from 1997 onwards. When this issue is amended in The Blue Book 2017 it will reduce the level of GFCF across the period by around 1.1% per year. The average impact on quarter-on-quarter GFCF growth is negative 0.02% and the average impact on quarter-on-quarter GDP growth is 0.00%.

Table of contents

1. [Gross fixed capital formation supplementary tables](#)

1 . Gross fixed capital formation supplementary tables

Gross fixed capital formation (GFCF) is the estimate of net capital expenditure (acquisitions less the proceeds from disposals) on fixed assets by both the public and private sectors. Fixed assets are purchased assets used in production processes for more than 1 year. Examples of capital expenditure include; spending on machinery and equipment, transport equipment, software, artistic originals, new dwellings and major improvements to dwellings, other buildings and major improvements to buildings, and structures such as roads. Additional assets, research and development and military weapons systems, were introduced into the definition of GFCF in Blue Book 2014.

In Blue Book 2016 we have included corrections to the following estimates, as a result of further quality assurance of the Blue Book 2015 dataset:

- dwellings – to reflect the correction of a processing error in the VAT data used in the dwellings estimates
- agriculture – to reflect a processing error in the calculation of disposals for the agricultural industry which artificially inflated its gross fixed capital formation estimates

Blue Book 2016 was the earliest opportunity at which to revise these estimates. Due to the integrated nature of the accounts and the need to re-open supply and use balancing, these processing errors could not be taken on any earlier. This is also in-line with the National Accounts revisions policy.