
Forestry Commission

Introduction

1. This Estimate provides for the net funding for the Forestry Commission's activities in England and those functions which it carries out on a GB- wide basis.
2. The Forestry Commission is responsible for forestry throughout Great Britain with statutory duties and powers which it exercises separately in England, Scotland and Wales. It represents the United Kingdom's forestry interests internationally within the European Union and beyond. The Commission advises Ministers and implements each country's separate and distinct forestry policy. The financing of its GB-wide functions cover sustainable forestry policy, forestry standards, international relations, plant health and forestry research. Its activities in relation to England cover the promotion of forestry and supporting the planting, management and conservation of forests and woodlands. This includes the operation of the Commission's estate by its agency, Forest Enterprise.
3. Further information on the scale and scope of its activities can be found in the 2007 DEFRA Departmental Report(Cm7103)
4. Contributions from the European Union to grants for woodlands in the private sector are received through the UK Co-ordinating Body. In 2007-08 this is expected to be £6,000,000.
5. Symbols are explained in the Introduction to this booklet.

Forestry Commission

Part I

	£
Request for Resources 1: To implement the programmes of the England Forestry Strategy	63,158,000
Request for Resources 2: To take the lead in development and promotion of sustainable forest management and to support its achievement nationally	17,407,000
Total net resource requirement	80,565,000
Net cash requirement	60,682,000

Amounts required in the year ending 31 March 2008 for expenditure by the Forestry Commission on:

RfR 1: To implement the programmes of the England Forestry Strategy

deliver the social, environmental and economic programmes of the England Forestry Strategy, connected to the distinctive needs of the Regions, through the promotion of forestry: and by managing the Commission's estate regulating planting and felling and offering incentives.

RfR 2: To take the lead in development and promotion of sustainable forest management and to support its achievement nationally

provide advice and support to the UK government and to the devolved administrations in Scotland and Wales, represent the United Kingdom's forestry interests within the European Union and internationally, set standards for sustainable forest management and encourage good forestry practice, conduct forest research and protect forests from pests and disease.

The **Forestry Commission** will account for this Estimate.

	Net total	Allocated in Vote on Account	Balance to complete
RfR 1	63,158,000	28,421,000	34,737,000
RfR 2	17,407,000	7,856,000	9,551,000
Total net resource requirement	80,565,000	36,277,000	44,288,000
Net cash requirement	60,682,000	27,307,000	33,375,000

Part II: Subhead detail

										£'000	
2007-08 Provision										2006-07 Provision	2005-06 Outturn
Resources						Capital Non- operating		Net Total Resources	Net Total Resources		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	A in A				
1	2	3	4	5	6	7	8	9	10		
RfR 1: To implement the programmes of the England Forestry Strategy											
-	63,158	-	63,158	-	63,158	40	-	65,699	63,419		
Spending in Departmental Expenditure Limits (DEL)											
<i>Central Government spending</i>											
A Forestry Commission (England)											
-	63,158	-	63,158	-	63,158	40	-	65,699	61,407		
Non-Budget											
<i>Forestry commission (England)</i>											
-	-	-	-	-	-	-	-	-	2,012		
RfR 2: To take the lead in development and promotion of sustainable forest management and to support its achievement nationally											
-	16,307	1,100	17,407	-	17,407	800	-	17,457	14,370		
Spending in Departmental Expenditure Limits (DEL)											
<i>Central Government spending</i>											
A Forestry Commission (GB Core)											
-	16,307	1,100	17,407	-	17,407	800	-	17,457	14,370		
Total for Estimate:											
-	79,465	1,100	80,565	-	80,565	840	-	83,156	77,789		

Part II: Resource to cash reconciliation

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
Net Resource Requirement	80,565	83,156	77,789
Voted capital items			
Capital	840	790	2,967
Less Non-operating A-in-A	-	-	-
Total net voted capital	840	790	2,967
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-20,586	-20,586	-16,459
Depreciation	-1,070	-1,070	-1,283
New provisions and adjustments to previous provisions	-	-	-617
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-2,404
Increase (+) / Decrease (-) in stock	324	324	787
Increase (+) / Decrease (-) in debtors	1,162	3,162	-1,045
Increase (-) / Decrease (+) in creditors	-553	-553	223
Use of provisions	-	-	555
Total accruals to cash adjustments	-20,723	-18,723	-20,243
Excess cash to be CFERd	-	-	-
Net Cash Requirement	60,682	65,223	60,513

Part III: Extra receipts payable to the Consolidated Fund

No CFER income or receipts are expected in 2007-08 or 2006-07. None were received in 2005-06.

Forecast Operating Cost Statement

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
Net Programme Costs			
RfR 1	63,158	65,699	63,419
RfR 2	17,407	17,457	14,370
Total Net Programme costs	80,565	83,156	77,789
Total Net Operating Cost	80,565	83,156	77,789
<i>of which:</i>			
Net Resource Requirement	80,565	83,156	77,789
Non-voted expenditure	-	-	-
Consolidated Fund Extra Receipts	-	-	-
Resource Budget	83,218	85,809	77,027

Notes to the Main Estimate (*continued*)

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000		
	2007-08	2006-07	2005-06
	Provision	Provision	Outturn
Net Resource Requirement (Estimates)	80,565	83,156	77,789
<i>Adjustments to remove:</i>			
Provision voted for earlier years	-	-	-
<i>Adjustments to additionally include:</i>			
Non-voted expenditure in the OCS	-	-	-
Consolidated Fund Extra Receipts in the OCS	-	-	-
Other adjustments	-	-	-
Net Operating Cost (Accounts)	80,565	83,156	77,789
<i>Adjustments to remove:</i>			
Gains / losses from sale of capital assets	-	-	-
Capital grants	-	-	-
European Union income related to capital grants	-	-	-
Voted expenditure outside the budget	-	-	-
<i>Adjustments to additionally include:</i>			
Other Consolidated Fund Extra Receipts	-	-	-
Resource consumption of non departmental public bodies	-	-	-
Unallocated resource provision	-	-	-
Other adjustments	2,653	2,653	-762
Resource Budget (Budget)	83,218	85,809	77,027
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	83,218	85,809	77,027
Annually Managed Expenditure (AME)	-	-	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000		
	2007-08	2006-07	2005-06
	Provision	Provision	Outturn
Net Voted Capital (Estimates)	840	790	2,967
<i>Adjustments to additionally include:</i>			
Other Consolidated Fund Extra Receipts	-	-	-
Capital spending by non-departmental public bodies	-	-	-
Capital grants	-	-	-
European Union income related to capital grants	-	-	-
Supported capital expenditure (revenue)	-	-	-
Capital spending by levy funded bodies	-	-	-
Unallocated capital provision	-	-	-
Other adjustments	-700	-700	908
Capital Budget (Budget)	140	90	3,875
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	140	90	3,875
Annually Managed Expenditure (AME)	-	-	-

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1: Paul Hill-Tout, Director England

Request for Resources 2: Tim Rollinson, Director General of the Forestry Commission

Tim Rollinson as the Principal Accounting Officer of the Forestry Commission has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, remains in general overall charge of the Forestry Commission.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

In accordance with Government Accounting requirement the relationship between the Principal Accounting Officer and the Additional Accounting Officer(s) and with their Ministers, together with their respective responsibilities, is set out in writing.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
RfR 1: To implement the programmes of the England Forestry Strategy			
Programme	-	800	3,112
<i>of which:</i>			
Sale of goods and services	-	800	3,112
Total RfR 1	-	800	3,112
Total Operating A in A	-	800	3,112

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

	£'000		
	Voted	Non-voted	Total
Resource DEL	80,565	2,653	83,218
<i>of which: †</i>			
Administration budget	-	-	-
Near-cash in RDEL	58,909	2,653	61,562
Capital DEL ††	840	-700	140
Less Depreciation †††	-1,070	-	-1,070
Total DEL	80,335	1,953	82,288

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2007-08 of £80,565,000 is 3.1 per cent lower than the final net provision for 2006-07 of £83,156,000 and 2.4 per cent higher than the forecast outturn for 2006-07 of £78,688,000.

Cash which may be retained to offset expenditure

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	-	800	3,112