

# Intervention Board – Executive Agency

## Introduction

1. This Vote makes provision for the implementation in the United Kingdom of the market regulation and agricultural measures of the Common Agricultural Policy (CAP) of the European Union; of the measures introduced in connection with the Bovine Spongiform Encephalopathy (BSE) crisis and the administration costs of the Intervention Board – Executive Agency (the Agency). Most of these measures are mandatory under directly applicable EU legislation and most are reimbursed in full or in part by the Union's European Agricultural Guidance and Guarantee Fund (EAGGF). The net provision sought is therefore much less than the gross expenditure on the Vote. Expenditure in Sections A, B, C, D and E can be identified in Annex 1 and Sections F and G in Annex 3 of the MAFF/IB Departmental Report 1999 (Cm 4212). Section A is also covered in Chapter 16. Chapters 3, 4 and 6 contain more information on EU expenditure and related receipts. Details of appropriations in aid and extra receipts payable to the Consolidated Fund can be found in Annex 3 of Cm 4212.
2. The provision is based on the support levels expected to be prescribed by the Union, assumed levels of Euro reference exchange rates and expected developments in world prices and levels of UK production and trade. Expenditure on the measures is unpredictable and sensitive to changes in, for example, trade volumes, world commodity prices, exchange rates and the day to day operations of the CAP instruments to market management.
3. The provision sought for 1999–2000 is 15.6 per cent lower than the final net provision and forecast outturn for 1998–99 of £345.873 million. A breakdown of the forecast outturn for 1998–99 is given in Annex 3 and Chapter 16 of Cm 4212.
4. Section A covers the administration costs of the Agency. It includes running costs provision of £69.757 million which forms the Agency's gross running costs limit and accounts for about 97 per cent of the provision. The balance consists of provision for capital to purchase computer and telecommunications equipment in support of the Agency's Information Systems Strategy Plan. Included in this Section are BSE related administration costs of £24,183 million. Included in running costs is provision to cover the administration costs of other bodies providing services to the Agency.
5. Section B covers BSE related expenditure on measures which include beef intervention buying, the over thirty month scheme and export refunds. Section C covers the expenditure on the selective cull scheme. Section F covers net contributions from the EAGGF towards the net BSE expenditure in Sections B and C.
6. Section D covers expenditure by the Agency on non-BSE related activities which include intervention buying, other internal market measures and EU refunds on export trade with non-member countries.
7. Section G covers net contributions from the EAGGF – normally two months in arrears – towards the net non-BSE related expenditure in Sections D, E and H and token amounts for the closure of prior year accounts and for unrecovered losses. Section E includes those payments of school milk subsidy which are made to local authorities. Section H covers the market support schemes which are administered by other government departments or their grant aided bodies. The section includes certain agri-environmental and forestry measures for which the expenditure represents the EAGGF funding with the Exchequer share being borne on the cash limited Votes of the departments concerned. Section I covers BSE related expenditure on schemes administered by other government departments.
8. Symbols are explained in the Introduction to this booklet.

# Intervention Board – Executive Agency

## Part I

**£292,069,000**

Amount required in the year ending 31 March 2000 for expenditure by the Intervention Board – Executive Agency in giving effect in the United Kingdom to the agricultural support provisions of the Common Agricultural Policy of the European Union; other services including BSE emergency measures; and administration.

The **Intervention Board–Executive Agency** will account for this Vote.

	£
Net total	292,069,000
Allocated in the Vote on Account (HC 1134)	150,103,000
Balance to complete	141,966,000

## Part II Subhead detail

£'000

Direct Expenditure		Grants and transfers					Gross total	Z: Appropriations in aid	Net total	Total net provision 1998-99	Net outturn 1997-98
1: Running costs	2: Other current	3: Capital	4: Current	5: Capital							
<b>Departmental expenditure in Departmental Expenditure Limits</b>											
<b>Central government's own expenditure</b>											
<b>★A: Administration</b>											
69,757	—	1,938	—	—	71,695	5,556	<b>66,139</b>	71,288	63,497		
<b>B: CAP market support - BSE</b>											
—	153,433	61,219	219,578	—	434,230	751	<b>433,479</b>	445,709	672,779		
<b>C: Selective Cull - BSE</b>											
—	2,920	—	—	—	2,920	—	<b>2,920</b>	16,477	114,783		
<i>Aid to the Rendering Industry - BSE</i>											
—	—	—	—	—	—	—	—	1,000	54,882		
<i>Beef stocks transfer and disposal schemes - BSE</i>											
—	—	—	—	—	—	—	—	216	6,422		
<b>Main departmental programmes in Annually Managed Expenditure</b>											
<b>Central government's own expenditure</b>											
<b>D: CAP market support - non BSE Ω</b>											
—	15,832	49,870	441,724	—	507,426	17,473	<b>489,953</b>	580,425	423,354		
<b>Central government support to local authorities</b>											
<b>E: EC grants for school milk and milk products</b>											
—	—	—	8,955	—	8,955	—	<b>8,955</b>	9,211	8,883		
<b>Other expenditure outside Departmental Expenditure Limits</b>											
<b>F: European Community Institutions - BSE</b>											
—	—	—	—	—	—	269,000	<b>-269,000</b>	-274,410	-507,458		
<b>G: European Community Institutions - non BSE</b>											
—	—	—	—	—	—	2,347,819	<b>-2,347,819</b>	-2,744,050	-2,391,155		
<b>H: Payments to other government departments or their grant-aided bodies- non BSE</b>											
—	—	—	1,909,266	—	1,909,266	1,824	<b>1,907,442</b>	2,238,235	2,029,297		
<i>Payments to other government departments or their grant-aided bodies-BSE</i>											
—	—	—	—	—	—	—	—	1,772	12,529		
<b>Total</b>	<b>69,757</b>	<b>172,185</b>	<b>113,027</b>	<b>2,579,523</b>	<b>—</b>	<b>2,934,492</b>	<b>2,642,423†</b>	<b>292,069</b>	<b>345,873</b>	<b>487,813</b>	

† Amount that may be applied as appropriations in aid in addition to the net total, arising from proceeds of sales out of intervention (capital – £15.286 million) receipts and recoveries in connection with internal market schemes and external trade measures, receipts in

respect of VAT refunds on contracted out services, New Deal receipts, milk quota charges, unsuccessful appeals, sales of rates information, processing supervision charges, receipts from estate rationalisation and reimbursements by the European Union including travelling

expenses of Agency staff attending meetings in Brussels, receipts from European Union Institutions (EAGGF)(BSE), receipts from European Union Institutions (EAGGF)(non-BSE) and certain recovered payments with interest where applicable.

### Part III Extra receipts payable to the Consolidated Fund

	£'000		
In addition to appropriations in aid there are the following estimated receipts:	1999-00	1998-99	1997-98
1. CAP market support ●	1,631	1,791	3,321
2. Administration ●	50	50	49
3. European Community Institutions Φ	11,984	7,383	5,024
4. EC Measures ●	43,487	43,162	49,084
<b>Total</b>	<b>57,152</b>	<b>52,386</b>	<b>57,478</b>

# Ministry of Agriculture, Fisheries and Food

## Introduction

1. The Vote is divided into the DEL and AME control groupings, and between central government's own expenditure and central government support to local authorities. Provision is further analysed according to the business objectives of the Ministry. Two further sections cover the Ministry's departmental administration and executive agencies. EC receipts under non-CAP measures are classified as 'other' AME (rather than main departmental programmes in AME) and are, therefore, shown under a separate heading. Further details are given in Chapters 3–15 and Annex 1 of the 1999 MAFF/IB Departmental Report (Cm 4212).
2. The provision sought for 1999–2000 is 6 per cent lower than the final net provision and forecast outturn for 1998–99 of £769 million.
3. Contingent liabilities are listed in paragraph 13.76 of Cm 4212. Grants-in-aid are listed in Annex 14 of Cm 4212.
4. The Intervention Board Executive Agency (IB) is responsible for funding MAFF-administered CAP schemes and a contributory element to MAFF-administered and majority funded agri-environmental schemes. IB also accounts for this expenditure to the European Commission under present arrangements.
5. Corresponding expenditure for Scotland is shown in Scotland's Supply Estimates 1999–2000 (HC193) presented on 4 February 1999, Class XIV, Vote 1 provides for expenditure in Wales for the period 1 April to 30 June 1999. Thereafter, responsibility passes to the National Assembly for Wales. Corresponding expenditure by the Department of Agriculture for Northern Ireland is published under separate Estimates for the Government of Northern Ireland submitted to Parliament directly by the Secretary of State.
6. MAFF has seven executive agencies. The Central Science Laboratory (CSL), the Veterinary Laboratories Agency (VLA), the Veterinary Medicines Directorate (VMD) and the Farming and Rural Conservation Agency (FRCA) operate under net running costs control; the Pesticides Safety Directorate (PSD), the Meat Hygiene Service (MHS) and the Centre for Environment, Fisheries and Aquaculture Science (CEFAS) operate under gross running costs control.
7. An analysis of the appropriations-in-aid of this Vote can be found in Annex 4 of Cm 4212. Details of EC expenditure and related receipts can be found in Chapters 3–12 and Annexes 2–5 of Cm 4212. Details of long term capital projects can be found in Annex 11 of Cm 4212.
8. Details of BSE-related expenditure are included in Cm 4212.
9. The British Cattle Movement Service (BCMS), set up in 1998, is responsible for the computerised Cattle Traceability System for Great Britain.
10. An inquiry into the emergence of BSE and n/v CJD was set up in 1998, the costs of which are met partly by the Ministry.
11. Symbols are explained in the Introduction to this booklet.

# Ministry of Agriculture, Fisheries and Food

## Part I

**£722,206,000**

Amount required in the year ending 31 March 2000 by the Ministry of Agriculture, Fisheries and Food for operational expenditure, agencies and departmental administration, to ensure that consumers benefit from competitively priced food, produced to high standards of safety, environmental care and animal welfare and from a sustainable, efficient food chain, and to contribute to the well-being of rural and coastal communities; to provide specialist support services; to allocate resources where they are most needed; to manage and develop staff; to undertake research and development; to provide for the expenditure of the Ministry's executive agencies.

The **Ministry of Agriculture, Fisheries and Food** will account for this Vote.

	£
Net total	722,206,000
Allocated in the Vote on Account (HC 1134)	329,983,000
Balance to complete	392,223,000

## Part II Subhead detail

£'000

Direct Expenditure			Grants and transfers			Gross total	Z: Appropriations in aid	Net total	Total net provision 1998-99	Net outturn 1997-98
1: Running costs	2: Other current	3: Capital	4: Current	5: Capital						
<b>Departmental expenditure in Departmental Expenditure Limits</b>										
<b>Central government expenditure</b>										
<b>★A: Protection of Public Health (PH) Ω</b>										
62,542	79,477	264	1,400	—	143,683	13,609	<b>130,074</b>	157,091	141,214	
<b>B: Protection of Public Health (PH)</b>										
—	11,836	—	4,833	—	16,669	561	<b>16,108</b>	16,108	15,843	
<b>★C: Sustain and enhance the rural and marine environment (EN) Ω</b>										
5,148	78,464	2,514	58,030	2,399	146,555	792	<b>145,763</b>	151,308	86,401	
<b>★D: Secure a more economical CAP (RC)</b>										
4,711	—	5	—	—	4,716	—	<b>4,716</b>	4,756	4,348	
<b>★E: Assist the development of efficient markets (TM)</b>										
25,412	37,517	143	43,214	5,457	111,743	8,775	<b>102,968</b>	104,410	146,063	
<b>F: Assist the development of efficient markets (TM)</b>										
—	5,901	—	59	—	5,960	188	<b>5,772</b>	5,772	6,857	
<b>★G: Encourage economic and social development in rural areas (ES)</b>										
1,232	3,802	33	19,255	28,010	52,332	—	<b>52,332</b>	55,339	40,940	
<b>★H: Administer payments under the CAP (CP)</b>										
32,144	960	400	—	—	33,504	750	<b>32,754</b>	33,043	29,026	
<b>★I: Conservation of fish stocks (FS)</b>										
4,927	26,301	110	135	3,500	34,973	529	<b>34,444</b>	30,965	21,681	
<b>★J: Protection of high welfare standards (WS)</b>										
7,435	12,510	—	—	—	19,945	—	<b>19,945</b>	19,763	11,134	
<b>★K: Reduce risks from flooding and coastal erosion (FE)</b>										
2,173	7,222	28,990	—	—	38,385	36	<b>38,349</b>	39,406	50,972	

<b>Part II</b>		<b>Subhead detail</b> <i>continued</i>								£'000	
Direct Expenditure			Grants and transfers								
1: Running costs	2: Other current	3: Capital	4: Current	5: Capital	Gross total	Z: Appropriations in aid	Net total	Total net provision 1998-99	Net outturn 1997-98		
<b>★L: Safeguard of availability of food and drink (SA)</b>											
404	2,172	7	21	—	2,604	—	<b>2,604</b>	2,611	1,938		
<b>★M: Departmental operations Ω</b>											
136,262	–928	37,731	1,536	—	174,601	11,798	<b>162,803</b>	160,277	153,420		
<b>★N: Operational costs of the Ministry's executive agencies Ω</b>											
96,293	–7,453	5,868	—	—	94,708	124,792	<b>–30,084</b>	–16,293	–18,989		
<b>Central government support for local authorities</b>											
<b>★O: Assist the development of efficient markets (TM)</b>											
—	—	—	—	535	535	—	<b>535</b>	535	228		
<b>★P: Reduce risks from flooding and coastal erosion (FE)</b>											
—	—	—	—	27,150	27,150	—	<b>27,150</b>	22,150	26,442		
<b>Main departmental programmes in Annually Managed Expenditure</b>											
<b>Central government expenditure</b>											
<b>Q: Assist the development of efficient markets (TM)</b>											
—	—	—	1,258,556	—	1,258,556	632	<b>1,257,924</b>	1,462,055	1,399,776		
<b>R: Sustain and enhance the rural and marine environment (EN)</b>											
—	—	—	33,177	—	33,177	22	<b>33,155</b>	28,383	22,227		
<b>Expenditure not included in Departmental Expenditure Limit or Annually Managed Expenditure</b>											
<b>S: EC receipts</b>											
—	—	—	–17,674	—	–17,674	6,354	<b>–24,028</b>	–18,244	–21,613		
<b>T: Assist the development of efficient markets (TM)</b>											
—	—	—	–1,257,923	—	–1,257,923	—	<b>–1,257,923</b>	–1,462,052	–1,400,183		
<b>U: Sustain and enhance the rural and marine environment (EN)</b>											
—	—	—	–33,155	—	–33,155	—	<b>–33,155</b>	–28,366	–22,131		
<b>Total</b>	<b>378,683</b>	<b>257,781</b>	<b>76,065</b>	<b>111,464</b>	<b>67,051</b>	<b>891,044</b>	<b>168,838†</b>	<b>722,206</b>	<b>769,017</b>	<b>695,594</b>	
† Amount that may be applied as appropriations in aid in addition to the net total, arising from the European Guidance and Guarantee Fund on Hill Livestock Compensatory Allowances, eligible expenditure on farm grants, cattle traceability, monitoring of Arable Area Payments Scheme, the UK Register of Organic Food Standards, decommissioning of fishing vessels, EC Leader Programme and Sector Challenge Grants. Receipts from sale of carcasses and vaccine relating to Anthrax, Brucellosis and Tuberculosis eradication, land managed by the Minister and the food stockpile. Receipts from fees and			charges on Local Veterinary Inspectors' work, public enquiries on salmon, whaling and inland fisheries, certification testing, National List and plant breeders' rights, commissioned surveys, studies and advice. Repayments of ATB Landbase redundancy fund and loans, SFIA loan capital and refund of SFIA grants. Rental income from ATB Landbase and from land managed by the Minister. Receipts in respect, of the tide gauge network, work carried out by the Veterinary Laboratories Agency, and NIAB Redundancy Fund, Recovery of shellfish inquiry expenses. Income from the provision of services to internal and			external customers, including the secondment of staff and services to IBEA. Statutory receipts. Receipts from the sale or use of rights and assets. Rents from property. Receipts from the sale of information, including publications. Income from levies, licensing approvals, certification, inspections, registrations, supervision and extensification. Reimbursement of MAFF expenditure, including EC receipts. Income from legal claims. Insurance recoveries. Other receipts and credits, and recovery of VAT.					
<b>Part III</b>		<b>Extra receipts payable to the Consolidated Fund</b>								£'000	
In addition to appropriations in aid there are the following estimated receipts:							1999-00	1998-99	1997-98		
<i>Sustain and enhance the rural and marine environment (EN)</i>							—	<b>13,601</b>	<b>1</b>		

*Notes:*

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

	£'000
A2 Independent Scientific Group on Cattle TB	5
A2 Storm Tide Forecasting Service – Current	364
A3 Storm Tide Forecasting Service – Capital	235
C2 Payments for Committees and Tribunals	22
C4 Conservation Advice Centre, NAC	33
D2 Fees Paid to Collectors of Fisheries Statistics	10
D2 Payments for Committees and Commissions	1
D2 Freshwater Fisheries Review Group	1
D4 Farm Link: Groundwork Projects	65
E4 Sheep Compensation	1
E5 Agricultural Credit Corporation	110

---

# Forestry Commission

---

## Introduction

1. This Vote provides net grant in aid to the Forestry Commission in respect of its functions throughout Great Britain, except for the functions relating to Scotland from 1 July 1999 to 31 March 2000 which will be funded by the Scottish Parliament. Since there was no separate provision in previous years for functions relating to Scotland, the figures for 1997-98 and 1998-99 shown in Part II relate to the whole of Great Britain.
2. The objectives of the Forestry Commission are to promote the interests of forestry, the development of afforestation including the establishment and maintenance of adequate reserves of growing trees, the production and supply of timber and other forest products, the provision of opportunities for recreation and the development of the potential of the forests it manages as a habitat for wildlife. It has a duty to seek to achieve a reasonable balance in carrying out its functions between the needs of productive forestry and those of the environment. It is concerned essentially with the conservation of the country's existing forests and the creation of new ones. Further information on the scale and scope of these activities can be found in the Forestry Commission, Forest Enterprise and Forest Research Annual Reports and Accounts presented to Parliament each year.
3. The Vote consists of a grant in aid of £68,615,000, the net of £72,806,000 allocated to the Commission's departmental responsibilities for developing and implementing forestry policies, offset by the surpluses of £3,751,000 from the Forest Enterprise Agency, which covers the management of the Commission's forests and £440,000 from the Forest Research Agency which provides research and development to the forestry industry.
4. The provision sought in 1999–2000 is 34 per cent higher than the final net provision and forecast outturn for 1998–99 of £51,325,000. The increase in 1999-2000, despite the exclusion of functions relating to Scotland after 1 July 1999, is mainly required to offset the reduction in income as a result of the Government's decision to halt large scale sales of the Commission's forests.
5. Contributions from the European Union to grant for woodlands in the private sector are received through the Intervention Board–Executive Agency. In 1999–2000 this is expected to be £7,400,000.
6. Symbols are explained in the Introduction to this booklet.

# Forestry Commission

## Part I

**£68,615,000**

Amount required in the year ending 31 March 2000 for expenditure by the Forestry Commission on the promotion of forestry, including support to the private sector for planting of new forest and woodlands, replanting after felling and maintenance grants for improvements; regulating forestry activity through the application of forest management standards and felling controls; conducting forest research; managing the Commission's forests; paying superannuation benefits to its former staff; and associated administrative costs.

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

	£
Net total	68,615,000
Allocated in the Vote on Account (HC 1134)	21,341,000
Balance to complete	47,274,000

## Part II

### Subhead detail

£'000

Direct Expenditure		Grants and transfers			Gross total	Z: Appropriations in aid	Net total	Total net provision 1998-99	Net outturn 1997-98
1: Running costs	2: Other current	3: Capital	4: Current	5: Capital					
<b>Departmental expenditure in Departmental Expenditure Limits</b>									
<b>Central government's own expenditure</b>									
★A: Forestry: grant in aid									
—	46,716	-3,064	24,963	—	68,615	—	<b>68,615</b>	51,325	52,425
<b>Main departmental programmes in Annually Managed Expenditure</b>									
<b>Central government's own expenditure</b>									
B: Forestry: grant in aid									
—	—	—	7,400	—	7,400	—	<b>7,400</b>	10,500	8,922
<b>Other expenditure outside Departmental Expenditure Limits</b>									
C: Forestry									
—	—	—	-7,400	—	-7,400	—	<b>-7,400</b>	-10,500	-8,922
<b>Total</b>	<b>—</b>	<b>46,716</b>	<b>-3,064</b>	<b>24,963</b>	<b>—</b>	<b>68,615</b>	<b>68,615</b>	<b>51,325</b>	<b>52,425</b>

## Part III

### Extra receipts payable to the Consolidated Fund

No extra receipts were received in 1997-98. None are expected in 1998-99 or in 1999-2000.