
Department for Environment, Food and Rural Affairs

Introduction

1. This estimate is based on two Requests for Resources (RfR). RfR1 provides for the costs of Defra and its Executive Agencies. RfR2 provides for the Forestry Commission in England (including Forest Enterprise England) and its Great Britain wide functions (including the executive agency Forest Research), who are for the first time this year provided for within the Defra Estimate.
2. RfR1 is based on the Department's four key areas of expenditure plus six further sections covering central service administration costs, the Rural Payments Agency (sub-divided between EC funded schemes, running costs and other costs), the Department's other Executive Agencies and Area Based Grants to Local Authorities. RfR1 shows Departmental Expenditure Limits (DEL), Annually Managed Expenditure (AME) and non-budget groupings and differentiates between central government's own expenditure and central government support to local authorities.
3. RfR1 includes the Department's capital grant expenditure, administration costs, costs of executive agencies, grant in aid to Non-Departmental Public Bodies and subsidies to Public Corporations, research and development, payments to agencies, as well as reimbursable costs and some offsetting EU receipts.
4. DEFRA has nine executive agencies - the Central Science Laboratory (CSL), the Veterinary Laboratories Agency (VLA), the Veterinary Medicines Directorate (VMD), the Centre for Environment, Fisheries and Aquaculture Science (CEFAS), Pesticides Safety Directorate (PSD), Rural Payments Agency (RPA), Animal Health (AH), Government Decontamination Service (GDS) and the Marine and Fisheries Agency (MFA).
5. RfR2 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.
6. 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 England. Also included within RfR2 is the Forest Research Agency.
7. Further details of the expenditure contained in the Estimate will be included in the Defra Departmental Report.
8. Symbols are explained in the Introduction to this booklet.

Department for Environment, Food and Rural Affairs

Part I

£

| | |
|---|----------------------|
| Request for Resources 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible | 5,525,539,000 |
| Request for Resources 2: Direction of the delivery of the Government's Strategy for Trees, Woods and Forests in England and taking the lead in development and promotion of sustainable forest management across Great Britain | 71,648,000 |
| Total net resource requirement | 5,597,187,000 |
| Net cash requirement | 5,548,867,000 |

Amounts required in the year ending 31 March 2009 for expenditure by the Department for Environment, Food and Rural Affairs on:

RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible

Environmental protection; support for measures which improve local environmental quality; pollution emergency response services; flood and coastal protection and land drainage; water partnership supply and sewerage services, including national security; to increase the UK's environment decontamination capabilities involving chemical, biological or radiological materials; support to the environmental protection industry for environmental technology and for measures to promote sustainable development; measures to reduce carbon dioxide emissions and improve energy efficiency, security and environmental practice; botanical services; radon measurement and support of remedial works campaigns; support for agriculture in special areas; food safety and hygiene; support for rural and regional development; assistance to production; marketing and processing in the agriculture, fisheries and food industries; assistance to the residuary Milk Marketing Board; emergency and strategic food services; plant health; support for the fishing industry; compensation payments to producers; grants and other financial support to voluntary bodies; support for measures to stimulate sustainable consumption of goods and services; countryside management and stewardship; conservation; national parks grants; support of countryside and wildlife initiatives; forestry policy; animal health and welfare; emergency measures, including foot and mouth eradication and compensation schemes; other services including emergency measures in relation to BSE; grant-in-aid to Non-Departmental Public Bodies and subsidy to Public Corporations; subscriptions and contributions to international organisations; surveys, monitoring, statistics, advice and consultancies; publicity, promotion, awareness and publications; commissioned and departmental research and development; specialist support services, management and development of staff, other departmental administration costs, regional restructuring costs; EU receipts; giving effect in the United Kingdom to the agricultural support provisions of the Common Agricultural Policy and Rural Development Programme for England of the European Union including compensation payments to producers and support for agriculture in special areas; management of inland waterways by British Waterways Board; consumer representation and other functions under the Water Act 2003; funding through Area Based Grants and associated non-cash costs.

RfR 2: Direction of the delivery of the Government's Strategy for Trees, Woods and Forests in England and taking the lead in development and promotion of sustainable forest management across Great Britain

Deliver the social, environmental and economic programmes of the UK Government's strategy for Trees, Woods and Forests in England, 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. 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 **Department for Environment, Food and Rural Affairs** will account for this Estimate.

| | £ |
|---------------------------------------|---------------------------------|
| | Net total |
| | Allocated in Vote on Account |
| | Balance to complete |
| RfR 1 | 5,525,539,000 |
| RfR 2 | 71,648,000 |
| Total net resource requirement | 5,597,187,000 |
| Net cash requirement | 5,548,867,000 |

Part II: Subhead detail

| | | | | | | | | | | £'000 | |
|---|--|-----------|-------------|-----------|-----------|------------------------------|--------------------|-----------|-----------|-----------|--|
| 2008-09 Provision | | | | | | 2007-08 Provision | 2006-07 Outturn | | | | |
| Resources | | | | | | Capital Non- operating | | Net Total | Net Total | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | A in A | Resources | Resources | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | |
| RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible | | | | | | | | | | | |
| | 559,778 | 4,376,266 | 1,742,661 | 6,678,705 | 1,153,166 | 5,525,539 | 115,580 | 27,200 | 5,884,853 | 5,684,462 | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | Animal Health and Welfare | | | | | | | | | | |
| | 21,765 | 181,165 | 39,900 | 242,830 | 8,816 | 234,014 | - | - | 285,085 | 248,346 | |
| B | Environment | | | | | | | | | | |
| | 47,688 | 408,175 | 449,119 | 904,982 | 35,583 | 869,399 | 6,648 | - | 920,858 | 813,636 | |
| C | Sustainable Farming Food and Fisheries | | | | | | | | | | |
| | 38,370 | 95,613 | 77 | 134,060 | 3,052 | 131,008 | - | - | 131,440 | 114,104 | |
| D | Natural Resources and Rural Affairs | | | | | | | | | | |
| | 18,114 | 560,525 | 85,253 | 663,892 | 30 | 663,862 | - | - | 514,411 | 536,114 | |
| E | Departmental Operations | | | | | | | | | | |
| | 248,690 | 58,557 | - | 307,247 | 17,819 | 289,428 | 56,904 | 24,450 | 207,012 | 265,551 | |
| F | Rural Payments Agency EC funded | | | | | | | | | | |
| | - | 1,786,277 | 473 | 1,786,750 | - | 1,786,750 | - | - | 2,072,622 | 1,918,808 | |
| G | Rural Payments Agency running costs | | | | | | | | | | |
| | - | 227,104 | - | 227,104 | 3,000 | 224,104 | 22,048 | - | 236,222 | 217,088 | |
| H | Rural Payments Agency other | | | | | | | | | | |
| | - | 56,362 | - | 56,362 | - | 56,362 | - | - | 85,800 | 273,382 | |
| I | Other Executive Agencies | | | | | | | | | | |
| | 185,151 | 147,077 | 3,000 | 335,228 | 185,155 | 150,073 | 29,980 | 2,750 | 160,220 | 132,652 | |
| <i>Local Area Agreements</i> | | | | | | | | | | | |
| | - | - | - | - | - | - | - | - | 118,459 | 104,387 | |
| <i>Support for Local Authorities</i> | | | | | | | | | | | |
| J | Environment | | | | | | | | | | |
| | - | - | 120,895 | 120,895 | - | 120,895 | - | - | 88,014 | 85,556 | |
| K | Natural Resources and Rural Affairs | | | | | | | | | | |
| | - | - | 46,742 | 46,742 | - | 46,742 | - | - | 46,547 | 43,318 | |

Part II: Subhead detail

£'000

| | | | | | | | | | | 2007-08 | 2006-07 |
|---|--|---------|-----------|-------------|-----------|-----------|-----------|---------------|-----------|-----------|---------|
| | | | | | | | | | | Provision | Outturn |
| | | | | | | | | | | 2008-09 | |
| | | | | | | | | | | Provision | |
| Resources | | | | | | Capital | | | | | |
| | Admin | Other | Grants | Gross Total | A in A | Net Total | Capital | Non-operating | Net Total | Net Total | |
| | 1 | Current | 3 | 4 | 5 | 6 | 7 | A in A | Resources | Resources | |
| | | 2 | | | | | | 8 | 9 | 10 | |
| L | Rural Payments Agency EC funded | - | 4,992 | 4,992 | - | 4,992 | - | - | 4,992 | 6,567 | |
| M | Area Based Grant: DEFRA | - | 3,000 | 3,000 | - | 3,000 | - | - | - | - | |
| N | Animal Health and Welfare | - | 8,500 | 8,500 | - | 8,500 | - | - | - | - | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| O | Environment | - | 35,000 | 47,700 | 12,700 | 12,700 | - | - | 55,600 | 24,125 | |
| Non-Budget | | | | | | | | | | | |
| P | Environment | - | 693,925 | 693,925 | 8,270 | 685,655 | - | - | 704,530 | 663,655 | |
| Q | Sustainable Farming Food and Fisheries | - | 9,000 | 9,000 | - | 9,000 | - | - | 9,391 | 6,593 | |
| R | Natural Resources and Rural Affairs | - | 204,085 | 204,085 | 1,030 | 203,055 | - | - | 218,751 | 201,007 | |
| S | Departmental Operations | - | 26,000 | 26,000 | - | 26,000 | - | - | 24,899 | 25,575 | |
| T | Rural Payments Agency EC funded | - | 890,411 | 890,411 | 890,411 | - | - | - | - | 3,998 | |
| RfR 2: Direction of the delivery of the Government's Strategy for Trees, Woods and Forests in England and taking the lead in development and promotion of sustainable forest management across Great Britain | | | | | | | | | | | |
| | | - | 70,594 | 1,054 | 71,648 | - | 71,648 | 2,000 | 90,369 | 70,097 | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | | | |
| A | Forestry Commission (England) | - | 57,284 | - | 57,284 | - | 57,284 | 2,000 | 72,152 | 53,654 | |
| B | Forestry Commission (GB Core) | - | 13,310 | 1,054 | 14,364 | - | 14,364 | - | 18,217 | 16,443 | |
| Total for Estimate: | | | | | | | | | | | |
| | | 559,778 | 4,446,860 | 1,743,715 | 6,750,353 | 1,153,166 | 5,597,187 | 117,580 | 27,200 | 5,975,222 | |
| | | | | | | | | | | 5,754,559 | |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement | 5,597,187 | 5,975,222 | 5,754,559 |
| Voted capital items | | | |
| Capital | 117,580 | 113,392 | 125,328 |
| Less Non-operating A-in-A | 27,200 | 12,035 | 3,228 |
| Total net voted capital | 90,380 | 101,357 | 122,100 |
| Accruals to cash adjustment | | | |
| Adjustments to remove non-cash items: | | | |
| Cost of Capital charges | -47,000 | -88,585 | -26,422 |
| Depreciation | -92,000 | -66,033 | -77,187 |
| New provisions and adjustments to previous provisions | -89,700 | -134,000 | -335,248 |
| Profit/loss on sale of assets | - | - | 3,228 |
| Prior period adjustments | - | - | - |
| Other non-cash items | - | - | 800 |
| Increase (+) / Decrease (-) in stock | - | 324 | -791 |
| Increase (+) / Decrease (-) in debtors | - | 1,162 | -678 |
| Increase (-) / Decrease (+) in creditors | - | -553 | 745,467 |
| Use of provisions | 90,000 | 67,400 | 482 |
| Total accruals to cash adjustments | -138,700 | -220,285 | 309,651 |
| Excess cash to be CFERd | - | 75,610 | - |
| Net Cash Requirement | 5,548,867 | 5,931,904 | 6,186,310 |

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

| | £'000 | | | | | |
|---|------------------|-------------------------|------------------|-------------------------|------------------|-------------------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | 2,075,710 | <i>2,276,609</i> | 2,282,356 | <i>2,340,356</i> | 2,007,730 | <i>2,350,992</i> |
| Non-operating income not classified as A in A | - | - | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | - | - | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | <i>75,610</i> | - | - |
| Total | 2,075,710 | <i>2,276,609</i> | 2,282,356 | <i>2,415,966</i> | 2,007,730 | <i>2,350,992</i> |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Administration Costs | | | |
| RfR 1 | 356,000 | 393,944 | 391,196 |
| RfR 2 | - | - | - |
| Total Net Administration costs | 356,000 | 393,944 | 391,196 |
| Net Programme Costs | | | |
| RfR 1 | 5,169,539 | 5,490,909 | 5,293,266 |
| RfR 2 | 71,648 | 90,369 | 70,097 |
| Non-voted | -2,075,710 | -2,282,356 | -2,007,730 |
| Total Net Programme costs | 3,165,477 | 3,298,922 | 3,355,633 |
| Total Net Operating Cost | 3,521,477 | 3,692,866 | 3,746,829 |
| <i>of which:</i> | | | |
| Net Resource Requirement | 5,597,187 | 5,975,222 | 5,754,559 |
| Non-voted expenditure | - | - | - |
| Consolidated Fund Extra Receipts | -2,075,710 | -2,282,356 | -2,007,730 |
| Resource Budget | 2,918,747 | 3,039,299 | 3,097,304 |

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Resource Requirement (Estimates) | 5,597,187 | 5,975,222 | 5,754,559 |
| <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 | -2,075,710 | -2,282,356 | -2,007,730 |
| Other adjustments | - | - | - |
| Net Operating Cost (Accounts) | 3,521,477 | 3,692,866 | 3,746,829 |
| <i>Adjustments to remove:</i> | | | |
| Gains /losses from sale of capital assets | - | - | 3,228 |
| Capital grants | -533,636 | -485,796 | -494,900 |
| European Union income related to capital grants | - | - | - |
| Voted expenditure outside the budget | - | - | -4,018 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | 22,205 | - |
| Resource consumption of non-departmental public bodies | -119,094 | -137,632 | -101,467 |
| Unallocated resource provision | 50,000 | - | - |
| Other adjustments | - | -52,344 | -52,368 |
| Resource Budget (Budget) | 2,918,747 | 3,039,299 | 3,097,304 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 2,936,444 | 3,021,992 | 3,102,586 |
| Annually Managed Expenditure (AME) | -17,697 | 17,307 | -5,282 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| Net Voted Capital (Estimates) | 90,380 | 101,357 | 122,100 |
| <i>Adjustments to additionally include:</i> | | | |
| Other Consolidated Fund Extra Receipts | - | - | - |
| Capital spending by non-departmental public bodies | 380,065 | 249,328 | 260,136 |
| Capital grants | 533,636 | 485,796 | 494,900 |
| European Union income related to capital grants | - | - | - |
| Supported capital expenditure (revenue) | - | 67 | - |
| Capital spending by levy funded bodies | 846 | 846 | 381 |
| Unallocated capital provision | - | - | - |
| Other adjustments | -4,000 | 54,297 | 44,472 |
| Capital Budget (Budget) | 1,000,927 | 891,691 | 921,989 |
| <i>of which:</i> | | | |
| Departmental Expenditure Limits (DEL) | 1,000,081 | 890,845 | 921,608 |
| Annually Managed Expenditure (AME) | 846 | 846 | 381 |

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 Resource within this Estimate.

Request for Resources 1: Helen Ghosh, Accounting Officer and Permanent Head of Department

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

Helen Ghosh as the Principal Accounting Officer of the Department for Environment, Food and Rural Affairs 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 Department for Environment, Food and Rural Affairs.

The responsibilities of an Accounting Officer are set out in Chapter 3 of Managing Public Money. 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 Managing Public Money requirements the relationship between the Principal Accounting Officer and the Additional Accounting Officer(s) and with their Ministers, together with their respective responsibilities, will be set out in writing.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible | | | |
| Administration | 203,778 | 250,602 | 259,729 |
| <i>of which:</i> | | | |
| Sale of goods and services | 203,778 | 250,602 | 259,581 |
| EU Income | - | - | 114 |
| Interest and dividends | - | - | 34 |
| Programme | 949,388 | 1,062,750 | 1,098,237 |
| <i>of which:</i> | | | |
| Sale of goods and services | 9,329 | 16,209 | 38,336 |
| EU Income | 896,042 | 1,024,452 | 1,058,832 |
| Other grant income (including repayments of grants/subsidies) | 15,300 | 4,400 | - |
| Interest and dividends | 28,717 | 17,689 | 1,069 |
| Total RfR 1 | 1,153,166† | 1,313,352 | 1,357,966 |
| <i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: eligible expenditure on farm grants, 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 resulting from projects under the Wider Markets Initiative. Receipts from sale of carcasses and vaccine relating to Brucellosis and Tuberculosis eradication. 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.</i> | | | |
| <i>Recovery of shellfish enquiry 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 Defra expenditure, including EC receipts. Income from legal claims. Insurance recoveries. Other receipts and credits. Receipts in respect of environment protection and research (ex-DETR). Recovery of income from transfers, bulletins and for receipts for CAP market support and from European Community Institutions.</i> | | | |
| RfR 2: Direction of the delivery of the Government's Strategy for Trees, Woods and Forests in England and taking the lead in development and promotion of sustainable forest management across Great Britain | | | |
| Programme | - | - | 800 |
| <i>of which:</i> | | | |
| Sale of goods and services | - | - | 800 |
| Total RfR 2 | - | - | 800 |
| Total Operating A in A | 1,153,166 | 1,313,352 | 1,358,766 |

Analysis of non-operating appropriations in aid (A in A)

| | £'000 | | |
|---|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 Outturn |
| RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible | | | |
| Programme | 27,200 | 12,035 | 3,228 |
| <i>of which:</i> | | | |
| Sale of assets | 27,200 | 12,035 | 3,228 |
| Total RfR 1 | 27,200† | 12,035 | 3,228 |
| <i>† Amount that may be applied as non-operating appropriations in aid, arising from: the sale of surplus land, buildings and other capital assets.</i> | | | |
| Total Non-Operating A in A | 27,200 | 12,035 | 3,228 |

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

| | £'000 | | | | | |
|-------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2008-09 | | 2007-08 | | 2006-07 | |
| | Provision | | Provision | | Outturn | |
| | Income | Receipts | Income | Receipts | Income | Receipts |
| Rural Payments Agency EU IncomeΦ | 1,761,710 | 1,962,609 | 2,064,751 | 2,184,751 | 1,839,777 | 2,027,474 |
| Rural Payments Agency Sugar Levies | - | - | 22,205 | 22,205 | - | - |
| Income● | | | | | | |
| Excess Cash Surrendered● | - | - | - | 75,610 | - | - |
| Rural Development Programme England | 314,000 | 314,000 | 195,400 | 133,400 | 167,953 | 323,518 |
| IncomeΦ | | | | | | |
| Total | 2,075,710 | 2,276,609 | 2,282,356 | 2,415,966 | 2,007,730 | 2,350,992 |

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

| | £'000 | | |
|-----------------------|-----------|------------|-----------|
| | Voted | Non-voted | Total |
| Resource DEL | 4,086,265 | -1,149,821 | 2,936,444 |
| <i>of which: †</i> | | | |
| Administration budget | 356,000 | - | 356,000 |
| Near-cash in RDEL | 3,870,265 | -1,241,821 | 2,628,444 |
| Capital DEL †† | 664,892 | 335,189 | 1,000,081 |
| Less Depreciation ††† | -92,000 | -99,000 | -191,000 |
| Total DEL | 4,659,157 | -913,632 | 3,745,525 |

† 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 2008-09 of £5,597,187,000 is 6.3 per cent lower than the final net provision for 2007-08 of £5,975,222,000 and 0.4 per cent higher than the forecast outturn for 2007-08 of £5,574,204,000.

Cash which may be retained to offset expenditure

| | £'000 | | |
|--|----------------------|----------------------|--------------------|
| | 2008-09 Provision | 2007-08 Provision | 2006-07 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. | 1,180,366 | 1,325,387 | 1,361,994 |

Notes to the Main Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

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

| RfR/Section | Service | £'000 |
|-------------|---|-------|
| RfR1 | | |
| A-D | Payments for Committees and Tribunals | 58 |
| D | Funding to establish the Commons and Greens Registration and Management Association | 32 |

Notes to the Main Estimate (*continued*)

Grants in aid

| RfR/Section | Body | £'000 |
|-------------|---------------------------------------|---------|
| RfR1 - R | Natural England ♥ | 190,085 |
| RfR1 - R | Commission for Rural Communities ♥ | 8,000 |
| RfR1 - P | Environment Agency ♥ | 687,925 |
| RfR1 - R | National Forest Company ♠ | 4,000 |
| RfR1 - S | Royal Botanical Gardens, Kew ♥ | 26,000 |
| RfR1 - Q | Food from Britain ♥ | 6,000 |
| RfR1 - R | Joint Nature Conservation Committee ♠ | 2,000 |
| RfR1 - P | Consumer Council for Water ♥ | 6,000 |
| RfR1 - Q | Gangmasters Licensing Authority ♥ | 3,000 |

Notes to the Main Estimate (*continued*)

Contingent liabilities

| Nature of Liability | £'000 |
|---|----------------|
| Liability for landfill sites that do not reach the standards required by Pollution Prevention and Control Regulations if the licence holder becomes insolvent | 20,000 |
| Swill feeder claims connected with the FMD outbreak | Unquantifiable |
| An open infraction case from the EC due to a past failure to implement ozone legislation | Unquantifiable |
| FMD Farm Burial Ground claims | 4,000 |
| Infringements of the Urban Waste Water Treatment Directive could lead to substantial fines from the EU | Unquantifiable |
| Investment guarantees related to the Waste and Resources Action Programme (WRAP) | 5,600 |
| Various liabilities concerning WRAP lease commitments | 500 |
| Indemnity against all actions, costs and expenses made against the National Institute of Agricultural Botany (NIAB) arising from their contract with Defra | Unquantifiable |
| Potential costs of remediation of radioactive contaminated land in accordance with Part 2A of the Environmental Protection Act 1990 | Unquantifiable |
| Potential liabilities arising from small claims against Defra | 4,200 |
| During the process of decommissioning a rented tallow storage facility and negotiating a final settlement the owners have made a claim for tank damages, although expert opinion does not support any claim for damages | 6,000 |

