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# Forestry Commission

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## Introduction

1. This Estimate provides 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 within the European Union and in the wider world. 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, including the operation of the Commission's estate by its Forest Enterprise agency.
3. Further information on the scale and scope of its activities can be found in the 2005 DEFRA Departmental Report, Chapter 5 (Cm 6537).
4. Contributions from the European Union to grants for woodlands in the private sector are received through the UK co-ordinating body. In 2005-06 this is expected to be £6,000,000.
5. Symbols are explained in the Introduction to this booklet.

## Part I

	£
<b>Request for Resources 1: To implement the programmes of the England Forestry Strategy</b>	<b>61,158,000</b>
<b>Request for Resources 2: To take the lead in development and promotion of sustainable forest management and to support its achievement nationally</b>	<b>17,457,000</b>
<b>Total Net Resource Requirement</b>	<b>78,615,000</b>
<b>Net Cash Requirement</b>	<b>58,682,000</b>

Amounts required in the year ending 31 March 2006 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 and associated non-cash items.

### **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 and associated non-cash items.

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

	Net total	Allocated in Vote on Account	Balance to complete
	£	£	£
<b>RfR 1</b>	61,158,000	27,051,000	34,107,000
<b>RfR 2</b>	17,457,000	7,472,000	9,985,000
<b>Total net resource requirement</b>	<b>78,615,000</b>	<b>34,523,000</b>	<b>44,092,000</b>
<b>Net cash requirement</b>	<b>58,682,000</b>	<b>25,553,000</b>	<b>33,129,000</b>

## Part II: Subhead detail

£'000

2005-06						2004-05 Provision	2003-04 Outturn		
Resources						Capital		Net Total Resources	Net Total Resources
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non- operating A in A		
1	2	3	4	5	6	7	8	9	10
<b>RfR 1: To implement the programmes of the England Forestry Strategy</b>									
-	67,158	-6,000	61,158	-	61,158	40	-	67,416	63,673
<b>Spending in Departmental Expenditure Limits (DEL)</b>									
<i>Central Government spending</i>									
A Forestry Commission (England)									
-	61,158	-	61,158	-	61,158	40	-	67,416	60,316
<b>Spending in Annually Managed Expenditure (AME)</b>									
<i>Central Government spending</i>									
B Forestry Commission (England)									
-	6,000	-	6,000	-	6,000	-	-	5,500	4,999
<b>Non-budget</b>									
C Forestry commission (England)									
-	-	-6,000	-6,000	-	-6,000	-	-	-5,500	-1,642
<b>RfR 2: To take the lead in development and promotion of sustainable forest management and to support its achievement nationally</b>									
-	16,357	1,100	17,457	-	17,457	750	-	17,605	13,975
<b>Spending in Departmental Expenditure Limits (DEL)</b>									
<i>Central Government spending</i>									

**Part II: Subhead detail (continued)**

£'000

2005-06						2004-05 Provision	2003-04 Outturn		
Resources						Capital		Net Total Resources	Net Total Resources
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non- operating A in A		
1	2	3	4	5	6	7	8	9	10
A Forestry Commission (GB Core)									
-	16,357	1,100	17,457	-	17,457	750	-	17,605	13,975
<b>Total for Estimate:</b>									
-	<b>83,515</b>	<b>-4,900</b>	<b>78,615</b>	-	<b>78,615</b>	<b>790</b>	-	<b>85,021</b>	<b>77,648</b>

## Part II: Resource to cash reconciliation

	£'000		
	2005-06 Provision	2004-05 Provision	2003-04 Outturn
<b>Net Total Resources</b>	78,615	85,021	77,648
<b>Voted capital items</b>			
Capital	790	904	1,949
Less Non-operating A-in-A	-	-	-
<b>Total net voted capital</b>	790	904	1,949
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-20,586	-26,635	-14,403
Depreciation	-1,070	-1,322	-3,798
New provisions and adjustments to previous provisions	-	-	-
Profit (+) / loss (-) on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase (+) / Decrease (-) in stock	324	-93	2,168
Increase (+) / Decrease (-) in debtors	1,162	3,833	-306
Increase (-) / Decrease (+) in creditors	-553	1,040	-4,351
Use of provisions	-	-	-
<b>Total accruals to cash adjustments</b>	-20,723	-23,177	-20,690
<b>Excess cash to be CFERd</b>	-	-	-
<b>Net Cash Requirement</b>	58,682	62,748	58,907

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

No CFER income or receipts are expected in 2005-06. None were received in 2004-05 or 2003-04.

## Forecast Operating Cost Statement

	£'000		
	2005-06 Provision	2004-05 Provision	2003-04 Outturn
<b>Net Administration Costs</b>			
RfR 1	-	-	-
RfR 2	-	-	-
<b>Total Net Administration costs</b>	-	-	-
<b>Net Programme Costs</b>			
RfR 1	61,158	67,416	63,673
RfR 2	17,457	17,605	13,975
<b>Total Net Programme costs</b>	<b>78,615</b>	<b>85,021</b>	<b>77,648</b>
<b>Total Net Operating Cost</b>	<b>78,615</b>	<b>85,021</b>	<b>77,648</b>
<i>of which:</i>			
<b>Net Resource Outturn</b>	<b>78,615</b>	<b>85,021</b>	<b>77,648</b>
CFERs	-	-	-
Non-voted expenditure	-	-	-
<b>Resource Budget Outturn</b>	<b>87,268</b>	<b>93,174</b>	<b>81,070</b>

## Notes to the Main Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000		
	2005-06	2004-05	2003-04
	Provision	Provision	Outturn
<b>Net Resource Outturn (Estimates)</b>	<b>78,615</b>	<b>85,021</b>	<b>77,648</b>
<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	-	-	-
<b>Net Operating Cost (Accounts)</b>	<b>78,615</b>	<b>85,021</b>	<b>77,648</b>
<i>Adjustments to remove:</i>			
capital grants to local authorities	-	-	-
capital grants financed from the Capital Modernisation Fund	-	-	-3,357
European Union income and related adjustments	-	-	-
voted expenditure outside the budget	6,000	5,500	4,999
<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	1,780
<b>Resource Budget Outturn (Budget)</b>	<b>87,268</b>	<b>93,174</b>	<b>81,070</b>
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	81,268	87,674	76,071
Annually Managed Expenditure (AME)	6,000	5,500	4,999

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000		
	2005-06	2004-05	2003-04
	Provision	Provision	Outturn
<b>Net Voted Capital Outturn (Estimates)</b>	<b>790</b>	<b>904</b>	<b>1,949</b>
<i>Adjustments to remove:</i>			
gains / losses from sale of capital assets	-	-	-
<i>Adjustments to additionally include:</i>			
other Consolidated Fund Extra Receipts	-	-	-
capital spending by non-departmental public bodies	-	-	-
capital grants to local authorities	-	-	-
capital grants financed by the Capital Modernisation Fund	-	-	-
local authority credit approvals	-	-	-
capital spending by levy funded bodies	-	-	-
unallocated capital provision	-	-	-
Other adjustments	-700	-700	3,260
<b>Capital Budget Outturn (Budget)</b>	<b>90</b>	<b>204</b>	<b>5,209</b>
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	90	204	5,209
Annually Managed Expenditure (AME)	-	-	-

## Notes to the Main Estimate (*continued*)

### Explanation of Accounting Officer responsibilities

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

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

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

Tim Rollinson, as the Principal Accounting Officer (PAO) of the Forestry Commission has personal responsibility for the proper presentation of the Forestry Commission'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 Forestry Commission's policies, aims, and objectives; and should regularly review the effectiveness of that system.

In accordance with Government Accounting requirements the relationship between the Principal Accounting Officer and the additional Accounting Officer and with their Ministers, together with their respective responsibilities, is set out in writing.

## Notes to the Main Estimate (*continued*)

### Departmental Expenditure Limits and Administration Budgets

£'000

Details of 2005-06 Departmental Expenditure Limits (DEL) and Administration budget limits

	Voted*	Non-voted	Total
Resource DEL	78,615	2,653	81,268
<i>of which: Administration Budgets</i>	—	—	—
Capital DEL**	790	–700	90
Less depreciation†	–1,070	—	–1,070
Total DEL	78,335	1,953	80,288

\* Excludes EU receipts included in Estimates, but excluded in Budgets.

\*\* Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 2 of Resource Accounting and Budgeting, as implemented in the 2002 Spending Review.

† 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.

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

The total net resource sought for 2005-06 of £78,615,000 is 7.5 per cent lower than the final provision and forecast outturn for 2004-05 of £85,021,000.

