

## 17 Table T17 – Public revenue collection and expenditure

### 17.1 FRA 2010 Categories and definitions

| Category  | Definition   |
|---|--|
| Forest revenue  | All government revenue collected from the domestic production and trade of forest products and services. For this purpose, forest products include: roundwood; sawnwood; wood-based panels; pulp and paper; and non-wood forest products. As far as possible, this should include revenue collected by all levels of government (i.e. central, regional/provincial and municipal level), but it should exclude the income of publicly owned business entities.   |
| Public expenditure  | All government expenditure on forest related activities (further defined below).   |
| Operational expenditure<br>(sub-category to Public expenditure) | All government expenditure on public institutions solely engaged in the forest sector. Where the forest administration is part of a larger public agency (e.g. department or ministry), this should only include the forest sector component of the agency's total expenditure. As far as possible, this should also include other institutions (e.g. in research, training and marketing) solely engaged in the forest sector, but it should exclude the expenditure of publicly owned business entities. |
| Transfer payments<br>(sub-category to Public expenditure)       | All government expenditure on direct financial incentives paid to non-government and private-sector institutions, enterprises communities or individuals operating in the forest sector to implement forest related activities.  |
| Domestic funding  | Public expenditure funded from domestic public financial resources, including: retained forest revenue; forest-related funds; and allocations from the national budget (i.e. from non-forest sector public revenue sources).   |
| External funding  | Public expenditure funded from grants and loans from donors, non-governmental organisations, international lending agencies and international organisations, where such funds are channelled through national public institutions.   |

### 17.2 National data

#### 17.2.1 Data sources

| References to sources of information                               | Quality (H/M/L) | Variable(s) | Year(s)            | Additional comments |
|--|-----------------|-------------|--------------------|---------------------|
| Forestry statistics 2008, tables 7.4 and 7.5 and related databases | H               | all         | 2000-01 to 2007-08 |                     |
| Forest Research Annual Report & Accounts                           | H               | all         | 2000-01 to 2007-08 |                     |
| Forest Service Annual Report & Accounts                            | H               | all         | 2000-01 to 2007-08 |                     |

#### 17.2.2 Classification and definitions

| National class                           | Definition  |
|--|---|
| Funding public forests – net expenditure | Expenditure in GB on public forests, from Annual Reports & Accounts of FE England, FE Scotland and FC Wales, net of timber income and RCH income. Excludes cost of capital. |
| Grants and partnership funding           | Transfer payments, mainly to private sector, for forest planting, management, etc. EU co-financing is not subtracted from total grant expenditure.                          |
| Other Forestry Commission expenditure    | Expenditure on policy, regulation and administration, research, international work and the part of GB support service costs not recovered.                                  |

### 17.2.3 Original data

According to the definition, forest revenue excludes the income of publicly owned business entities (the income from timber, recreation etc is subtracted in calculating the net funding for public forests). It also excludes the revenue from general taxation (income tax, corporation tax, VAT on products, etc). In general, the UK government does not obtain revenue from taxes or fees specific to forestry, so on these definitions revenue is negligible.

The largest source of external funding is EU co-funding for grants. The only other significant external funding is Forest Research income from EU and other non-FC sources.

Forest Research prepares separate Annual Reports & Accounts, but its figures are also consolidated into Forestry Commission Accounts. Accounts for Forest Service (Northern Ireland) are completely separate. All figures are in £ million and are for financial years to 31 March.

#### Forestry Commission

GB totals, from Forestry Statistics 2008 tables 7.4 and 7.5 (EU co-funding for each year and data for first 3 years from same FC Annual Report sources)

|         | Funding public forests net expenditure | Grants and partnership funding | Other Forestry Commission expenditure | EU co-funding for grants |
|---------|--|--------------------------------|---------------------------------------|--------------------------|
| 2000-01 | 34.2                                   | 40.6                           | 49.1                                  | 14.8                     |
| 2001-02 | 49.2                                   | 38.7                           | 49.8                                  | 14.2                     |
| 2002-03 | 74.2                                   | 37.8                           | 45.2                                  | 11.6                     |
| 2003-04 | 66.4                                   | 40.6                           | 58.9                                  | 11.4                     |
| 2004-05 | 62.1                                   | 44.8                           | 50.8                                  | 12.0                     |
| 2005-06 | 65.6                                   | 46.0                           | 57.8                                  | 10.9                     |
| 2006-07 | 64.0                                   | 61.5                           | 61.7                                  | 12.5                     |
| 2007-08 | 59.5                                   | 71.6                           | 66.1                                  | 12.5                     |

Note: other FC expenditure shown here double-counts FC funding for Forest Research. This will be corrected for Forestry Statistics 2009, but needs to be adjusted below.

#### Forest Research

GB totals, from Forest Research Annual Report & Accounts

|         | Total Expenditure | Total Income | of which from FC | of which from EU and other |
|---------|-------------------|--------------|------------------|----------------------------|
| 2000-01 | 11.8              | 12.4         | 11.3             | 1.1                        |
| 2001-02 | 11.8              | 12.4         | 11.2             | 1.3                        |
| 2002-03 | 11.9              | 12.5         | 10.8             | 1.7                        |
| 2003-04 | 12.4              | 12.8         | 11.2             | 1.7                        |
| 2004-05 | 13.2              | 13.6         | 11.5             | 2.1                        |
| 2005-06 | 13.9              | 14.4         | 12.3             | 2.0                        |
| 2006-07 | 15.1              | 15.6         | 13.2             | 2.4                        |
| 2007-08 | 15.5              | 14.6         | 13.1             | 1.5                        |

## Forest Service

Northern Ireland totals, from Forest Service Annual Report & Accounts

|         | Net operating cost | Of which, cost of capital | Grant payments EU funded | Grant payments national element |
|---------|--------------------|---------------------------|--------------------------|---------------------------------|
| 2000-01 | 20.2               | 13.4                      | 1.0                      | 0.7                             |
| 2001-02 | 20.4               | 13.4                      | 1.2                      | 0.7                             |
| 2002-03 | 19.3               | 13.4                      | 1.2                      | 0.8                             |
| 2003-04 | 14.3               | 7.9                       | 0.7                      | 0.7                             |
| 2004-05 | 15.3               | 8.3                       | 1.0                      | 0.8                             |
| 2005-06 | 14.9               | 8.8                       | 1.3                      | 0.7                             |
| 2006-07 | 14.6               | 9.5                       | 1.3                      | 0.8                             |
| 2007-08 | 16.0               | 10.7                      | 1.1                      | 1.2                             |

### 17.3 Analysis and processing of national data

#### 17.3.1 Estimation and forecasting

For year 2000, use 2000-01

For year 2005, use 2005-06

#### 17.3.2 Reclassification into FRA 2010 categories

Operational expenditure (net)

|   | 2000         | 2005         |
|---|--------------|--------------|
| Funding public forests FC                     | 34.2         | 65.6         |
| Other FC expenditure (as reported)            | 65.6         | 57.8         |
| <i>Less FC funding to FR (double-counted)</i> | <i>-11.3</i> | <i>-12.3</i> |
| FS net operating cost                         | 20.2         | 14.9         |
| <i>Less FS cost of capital</i>                | <i>-13.4</i> | <i>-8.8</i>  |
| <i>Less FS grants</i>                         | <i>-1.7</i>  | <i>-2.0</i>  |
| <b>Total operational expenditure</b>          | <b>93.6</b>  | <b>115.2</b> |
| <i>Less external funding (FR)</i>             | <i>-1.1</i>  | <i>-2.0</i>  |
| <b>Domestic funding</b>                       | <b>92.5</b>  | <b>113.2</b> |

Transfer payments

|                                  | 2000        | 2005        |
|----------------------------------|-------------|-------------|
| Grants & partnership funding FC  | 40.6        | 46.0        |
| Grant payments FS                | 1.7         | 2.0         |
| <b>Total transfer payments</b>   | <b>42.3</b> | <b>48.0</b> |
| EU funded (FC)                   | 14.8        | 10.9        |
| EU funded (FS)                   | 1.0         | 1.3         |
| <b>Total EU funded</b>           | <b>15.8</b> | <b>12.2</b> |
| <b>Total domestically funded</b> | <b>26.5</b> | <b>35.8</b> |

## 17.4 Data for Table T17

**Table 17a - Forest revenues**

| FRA 2010 Categories | Revenues<br>(1000 local currency) |      |
|---------------------|-----------------------------------|------|
|                     | 2000                              | 2005 |
| Forest revenue      | 0                                 | 0    |

**Table 17b - Public expenditure in forest sector by funding source**

| FRA 2010 Categories   | Domestic funding<br>(1000 local currency) |   | External funding<br>(1000 local currency) |       | Total<br>(1000 local currency) |        |
|---|---|---|---|-------|--------------------------------|--------|
|   | 2000                                      | 2005  | 2000                                      | 2005  | 2000                           | 2005   |
| Operational expenditure   | 92500                                     | 115200  | 1100                                      | 2000  | 93600                          | 117200 |
| Transfer payments   | 26500                                     | 35800   | 15800                                     | 12200 | 42300                          | 48000  |
| <b>Total public expenditure</b>   | 119000                                    | 153000  | 16900                                     | 14200 | 135900                         | 165200 |
| If transfer payments are made for forest management and conservation, indicate for what specific objective(s) - Please tick all that apply. | <input checked="" type="checkbox"/>       | Reforestation                                   |   |       |                                |        |
|   | <input checked="" type="checkbox"/>       | Afforestation                                   |   |       |                                |        |
|   | <input checked="" type="checkbox"/>       | Forest inventory and/or planning                |   |       |                                |        |
|   | <input checked="" type="checkbox"/>       | Conservation of forest biodiversity             |   |       |                                |        |
|   | <input checked="" type="checkbox"/>       | Protection of soil and water                    |   |       |                                |        |
|   | <input checked="" type="checkbox"/>       | Forest stand improvement                        |   |       |                                |        |
|   | <input checked="" type="checkbox"/>       | Establishment or maintenance of protected areas |   |       |                                |        |
|   | <input checked="" type="checkbox"/>       | Other, specify below                            |   |       |                                |        |
|   | Provision of recreation infrastructure    |   |   |       |                                |        |

### Comments to Table T17

| Variable / category     | Comments related to data, definitions, etc.  | Comments on the reported trend |
|-------------------------|--|--------------------------------|
| Forest revenue          |  |                                |
| Operational expenditure | As noted above, this includes the net expenditure on public forests, which receive government funding to provide public benefits. It does not include the part of expenditure that is offset by timber and other income. |                                |
| Transfer payments       |  |                                |

| Other general comments to the table |
|-------------------------------------|
|                                     |