Draft Order laid before the House of Commons under section 6 of the Government Trading Funds Act 1973, for approval by resolution of that House.

DRAFT STATUTORY INSTRUMENTS

1998 No.

GOVERNMENT TRADING FUNDS

Forensic Science Service Trading Fund Order 1998

Made - - - -	*1998*
Coming into force - -	*1st April 1999*

Whereas:

(1) it appears to the Secretary of State for the Home Department ("the Secretary of State") that–

(a) those operations of the Home Department which are referred to in article 2 of, and Schedule 1 to, this Order are suitable to be financed by means of a fund established under the Government Trading Funds Act 1973(**1**) ("the 1973 Act") and, in particular, to be so managed that the revenue of the fund would consist principally of receipts in respect of goods or services provided in the course of the operations in question, and

(b) the financing of the operations in question by means of a trading fund would be in the interests of the improved efficiency and effectiveness of the management of those operations;

(2) in accordance with sections 1(3) and 6(4) of the 1973 Act, the Secretary of State has taken such steps as appear to him to be appropriate to give an opportunity to such persons as appear to him to be appropriate to make representations to him and has laid before Parliament a report about the representations received and his conclusions;

(3) the Secretary of State has, in accordance with section 2 of the 1973 Act and with the concurrence of the Treasury, determined what Crown assets and liabilities are properly attributable to the operations in question and are suitable to be appropriated to the fund;

(4) in accordance with section 6(2) of the 1973 Act, a draft of this Order has been laid before the House of Commons and has been approved by a resolution of that House;

Now, therefore, the Secretary of State in exercise of the powers conferred on him by sections 1, 2, 2AA(1), 2A(1), 2C(1) and 6(1) of the 1973 Act, and of all other powers enabling him in that behalf, with the concurrence of the Treasury, hereby makes the following Order:

(**1**) 1973 c. 63, as amended by the Government Trading Act 1990 (c. 30). The 1973 Act, as so amended, is set out in Schedule 1 to the 1990 Act. The 1973 Act was further amended by section 119 of the Finance Act 1991 (c. 31) and Schedule 22 to the Finance Act 1993 (c. 34).

Citation and commencement

1. This Order may be cited as the Forensic Science Service Trading Fund Order 1998 and shall come into force on 1st April 1999.

Establishment of the fund

2.—(1) As from 1st April 1999, there shall be established a trading fund to be known as the Forensic Science Service Trading Fund (hereinafter referred to as "the fund").

(2) All operations of the Home Department known as the Forensic Science Service, which operations are more particularly described in Schedule 1 to this Order, shall be financed by means of the fund.

Source of loans

3. The Secretary of State for the Home Department is hereby designated as the source of issues to the fund by way of loan.

Assets, liabilities, reserves and public dividend capital

4.—(1) The Crown assets and liabilities set out in Schedule 2 to this Order shall be appropriated as assets and liabilities of the fund.

(2) 2 per cent of the amount by which the values of the assets exceed the amounts of the liabilities shall be treated as a revaluation reserve in the accounts of the fund, and the reserve so treated shall be maintained as a revaluation reserve.

(3) 50 per cent of the balance of–

(a) the amount by which the values of the assets exceed the amounts of the liabilities, less

(b) the amount to be treated as a revaluation reserve in accordance with paragraph (2) above,

shall be treated as public dividend capital of the fund.

Maximum borrowing etc.

5. The aggregate of the following shall not exceed £40,000,000

(a) the total outstanding at any given time in respect of amounts issued to the fund under section 2B of the 1973 Act (other than as originating debt), and

(b) the total at that time constituting public dividend capital issued to the fund under section 2A(2A) of that Act.

Home Office
1998

One of Her Majesty's Principal Secretaries of State