

MINISTRY OF AGRICULTURE, FISHERIES AND FOOD
WHITEHALL PLACE, LONDON SW1A 2HH



From the Minister

CONFIDENTIAL

Mark

*Pl see att which
has only just arrived
from north.*

Awaiting advice from RTA.

11/9

NGT 12/9.

PRIME MINISTER

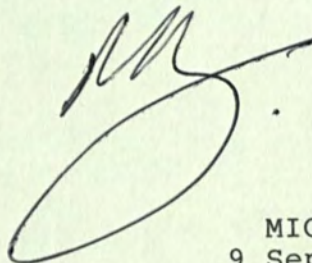
**NORTHERN IRELAND AGRICULTURE AND FISHERIES: TRANSFER OF RESPONSIBILITY
FOR CERTAIN MAFF EXPENDITURE**

1. During the past 12 months, Douglas Hurd, Peter Rees and I have been reviewing the long-established arrangements under which certain agricultural and fisheries expenditure in Northern Ireland is borne on the Votes of my Department. We concluded that these are an anachronism in the current public accounting and financial management climate, and agreed that I should seek your approval to a transfer of responsibility for the expenditure concerned to the Head of the Department of Agriculture for Northern Ireland (DANI).

2. Full background details are set out in the enclosed paper, which formed the basis of our tripartite discussions. Under the present arrangements, my Accounting Officer is responsible to Parliament for expenditure administered by DANI over which he has only indirect control, not least when, as with the Northern Ireland Agricultural Development Programme, such expenditure relates entirely to the Province but appears in my Votes. At the operational level, the arrangements give rise to a substantial duplication of effort between my Department and DANI on Estimates and PES preparation and in-year monitoring and control, and cause problem cases to be referred by DANI officials to mine. Particular difficulties arise when in-year increases in DANI's agency costs have to be met from elsewhere within my Department's relevant cash-limited Vote; and at the insistence of the National Audit Office, my auditors are obliged to undertake inspections in Northern Ireland. All this is neither economic nor effective administration, and the Comptroller and Auditor General has already focussed on these weaknesses in the course of one of his value for money studies.

3. Our legal advice is that the appropriate mechanism for a transfer of responsibility from my Accounting Officer to the Head of DANI would be an Order in Council under the Northern Ireland Act 1974, on which Tom King would now take the lead. Such an Order necessarily involves careful and extensive consultations with the Assembly, and this suggests that it would be realistic to look to introduce the new arrangements for the 1987/88 financial year.

4. I should be grateful for your approval to this transfer of responsibility on the lines proposed above. I have copied this minute to Tom King, John MacGregor and Sir Robert Armstrong.

A handwritten signature in black ink, appearing to be 'MJ', written in a cursive style.

MICHAEL JOPLING
9 September 1985