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STATUTORY INSTRUMENTS

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**1993 No.751**

**GOVERNMENT TRADING FUNDS**

**The Medicines Control Agency Trading Fund Order 1993**

*Made* - - - - *15th March 1993*

*Coming into force* - - *1st April 1993*

Whereas—

- (1) It appears to the Secretary of State for Health (“the Secretary of State”) that—
  - (a) such of the operations of that part of the Department of Health known as the Medicines Control Agency as are described in Schedule 1 to this Order (being operations for which she is responsible) 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 such a fund would be in the interests of the improved efficiency and effectiveness of the management of those operations;

(2) The Secretary of State, having considered that the operations in question consist substantially in the provision of services in the United Kingdom otherwise than to departments of the government and that an opportunity to make representations to her should be given, has, in accordance with section 1(3) of the 1973 Act, taken such steps as appear to her appropriate to give an opportunity to such persons as appear to her appropriate to make representations to her and has, in accordance with section 6(4) of that Act, laid before Parliament a report about the representations received and her conclusions;

(3) In accordance with section 2 of the 1973 Act, the Secretary of State has determined with the concurrence of the Treasury what Crown assets and liabilities are properly attributable to the operations for which a fund is to be established and are suitable to be appropriated to that 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 upon her by sections 1, 2(1)(b) and (7), 2A(1) and 2B(6)(2) of the 1973 Act and all other powers enabling her in that behalf, with the concurrence of the Treasury, hereby makes the following Order:—

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(1) 1973 c. 63, as amended by the Government Trading Act 1990 (c. 30) (“the 1990 Act”). The 1973 Act, as so amended, is set out in Schedule 1 to the 1990 Act. Section 2 of the 1973 Act, as so amended, was further amended by section 119 of the Finance Act 1991 (c. 31).

(2) Sections 2A and 2B of the 1973 Act were inserted by section 1 of the 1990 Act.

### **Citation, commencement and interpretation**

1.—(1) This Order may be cited as the Medicines Control Agency Trading Fund Order 1993 and shall come into force on 1st April 1993.

(2) In this Order,

“the 1968 Act” means the Medicines Act 1968(3);

“the fund” means the fund established by Article 2 of this Order;

“funded operations” means the operations of the Medicines Control Agency described in Schedule 1 to this Order.

(3) In this Order expressions defined in the 1968 Act for the purposes of that Act shall have the same meaning as is given for the purposes of that Act.

### **Establishment of the fund**

2. As from 1st April 1993 for such of the operations of that part of the Department of Health known as the Medicines Control Agency as are described in Schedule 1 to this Order, there shall be established a trading fund to be known as the Medicines Control Agency Trading Fund.

### **Source of loans**

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

### **Assets, liabilities and public dividend capital**

4.—(1) The Crown assets and liabilities set out in Parts I and II respectively of Schedule 2 to this Order shall be appropriated as assets and liabilities respectively of the fund, at values or amounts determined by the Secretary of State for Health in accordance with Treasury directions.

(2) 50 per cent of the amount by which the values of those assets exceed the amounts of those liabilities shall be treated as public dividend capital.

### **Limitation of indebtedness**

5. The maximum amount that may be issued to the fund by way of loan under section 2B of the 1973 Act shall be £5,000,000.

11th March 1993

*Virginia Bottomley*  
Secretary of State for Health

We concur

15th March 1993

*Tim Wood*  
*Irvine Patnick*  
Two of the Lords' Commissioners of Her  
Majesty's Treasury

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

## SCHEDULE 1

Article 2

### FUNDED OPERATIONS

1. All the operations of the Medicines Control Agency carried out in connection with the performance of the following functions:

- (a) those of the Health Ministers or the Ministers under Parts I, II, III, IV, V, VI and VIII of, and Schedule 1 and paragraph 27 of Schedule 3 to, the 1968 Act;
- (b) those of the appropriate body or the Health Ministers under Part VII of the 1968 Act, except those functions specified in sections 99, 100 and 102 of that Act;
- (c) those of the licensing authority under the 1968 Act;
- (d) those of the Ministers under the Medicines Act 1971<sup>(4)</sup>.

2. All the operations of the Medicines Control Agency carried on (otherwise than in the performance of functions under the 1968 Act) in connection with the sale or supply of medicinal products or similar products, including any such operations carried on in connection with:

- (a) any proposed legislation;
- (b) any international obligation or activities of the European Communities or any of their institutions;
- (c) the provision and dissemination of information.

3. Any operations of the Medicines Control Agency which are incidental, conducive or ancillary to the operations described in paragraphs 1 and 2 above, except in so far as they are specifically excluded by paragraph 1(b).

## SCHEDULE 2

Article 4(1)

### ASSETS AND LIABILITIES APPROPRIATED AS THOSE OF THE FUND

#### PART I

#### ASSETS

1. Plant and equipment (including vehicles and computers) as at 1st April 1993 used or allocated for use in the funded operations.
2. Computer software as at 1st April 1993 used or allocated for use in the funded operations.
3. Intangible assets, including intellectual property, arising from the funded operations as carried on up to 1st April 1993.
4. Sundry debtors and cash as at 1st April 1993 used or allocated for use in, or arising from, the funded operations.

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(4) 1971 c. 69.

## PART II

### LIABILITIES

1. Fees paid in advance in respect of services to be rendered on or after 1st April 1993.
2. Sundry creditors and accruals as at 1st April 1993 arising from the funded operations.

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### EXPLANATORY NOTE

*(This note is not part of the Order)*

This Order provides for the setting up as from 1st April 1993 of a fund with public money under the Government Trading Funds Act 1973 for the operations of the Medicines Control Agency described in Schedule 1 to the Order. Schedule 1 comprises all the activities of the Medicines Control Agency except those relating to the British Pharmacopoeia. The fund is to be known as the Medicines Control Agency Trading Fund. The Order designates the Secretary of State for Health as the authorised lender to the fund and imposes a limit of £5,000,000 on the amount which may be lent to it. It provides for the assets and liabilities set out in Schedule 2 to the Order to be appropriated to the fund and for 50 per cent of the amount by which the values of the assets exceed the amounts of the liabilities to be treated as public dividend capital. (The estimated value of the assets is £13,000,000 and the estimated amount of the liabilities is £9,500,000).