

1970 No. 1805 (S.148)

AGRICULTURE

AGRICULTURAL GRANTS, GOODS AND SERVICES

The Farm Capital Grant (Scotland) Scheme 1970

<i>Made</i>	- - -	<i>24th November 1970</i>
<i>Laid before Parliament</i>		<i>1st December 1970</i>
<i>Coming into Operation</i>		<i>1st January 1971</i>

In exercise of the powers conferred on me by sections 28 and 29 of the Agriculture Act 1970(a) and all other powers enabling me in that behalf, with the approval of the Treasury, I hereby make the following scheme :—

Citation, commencement and extent

1. This scheme, which may be cited as the Farm Capital Grant (Scotland) Scheme 1970, shall come into operation on 1st January 1971 and shall apply to Scotland only.

Interpretation

2.—(1) In this scheme, unless the context otherwise requires—

“agricultural business” means a business consisting in, or such part of any business as consists in, the pursuit of agriculture ;

“agriculture” and cognate expressions shall be construed in accordance with section 86 of the Agriculture (Scotland) Act 1948(b) ;

“approved” means approved by the Secretary of State in writing, and “approve” and “approval” shall be construed accordingly ;

“hill land” has the meaning assigned to it by sub-paragraphs (2) and (3) of this paragraph ;

(2) Subject to sub-paragraph (3) below, “hill land” means for the purposes of this scheme land situated in an area consisting predominantly of mountains, hills or heath and which is, or by improvement could be made, suitable for use for the breeding, rearing and maintenance of sheep or cattle but not, in

(a) 1970 c. 40.

(b) 1948 c. 45.

the opinion of the Secretary of State, for the carrying on, to any material extent, of dairy farming, the production, to any material extent, of fat sheep or fat cattle or the production of crops in quantity materially greater than that necessary to feed the number of sheep or cattle capable of being maintained on the land.

(3) Where at any time after 10th August 1967 land was or is hill land as defined in sub-paragraph (2) above, the effect of any subsequent improvement to that land shall thereafter be disregarded in determining for the purpose of this scheme whether it is hill land as so defined.

(4) The Interpretation Act 1889(a) shall apply to the interpretation of this scheme as it applies to the interpretation of an Act of Parliament.

(5) Except insofar as the context otherwise requires, any reference in this scheme—

(a) to an enactment shall be construed as a reference to that enactment as amended or extended by any other enactment ;

(b) to a numbered paragraph or schedule shall be construed as a reference to the paragraph or schedule bearing that number in this scheme.

Eligible expenditure

3.—(1) Subject to the provisions of this scheme, the Secretary of State may make to any person a grant towards expenditure incurred or to be incurred by him for the purposes of, or in connection with, the carrying on or establishment of an agricultural business, being expenditure which—

(a) has been or is to be incurred in respect of any work or facility, or part thereof, of a kind specified in Schedule 1 or in respect of any work or facility certified under section 26(6) of the Agriculture Act 1967(b) as amended by section 32(2)(e) of the Agriculture Act 1970 ; and

(b) appears to the Secretary of State to be of a capital nature or incurred in connection with expenditure of a capital nature ; and

(c) is approved for the purposes of a grant under this scheme.

(2) Subject to the provisions of paragraph 4, the Secretary of State may, as he thinks fit, either refuse to approve expenditure or approve it in whole or in part for the purposes of a grant under this scheme and any such grant may be made, and any such approval may be given, subject to such conditions as the Secretary of State thinks fit.

(3) Any approval of expenditure for the purposes of a grant under this scheme may be varied or withdrawn by the Secretary of State with the applicant's written consent.

(4) Where it appears to the Secretary of State that expenditure in respect of which approval for the purpose of a grant under this scheme is applied for is expenditure incurred or to be incurred partly for the purpose of, or in connection with, the carrying on or establishment of an agricultural business and partly for other purposes, he may for the purposes of this scheme treat as having been or to be incurred for the purposes of or in connection with the carrying on or establishment of an agricultural business so much of that expenditure as appears to him to be referable to the carrying on or establishment of an agricultural business.

(a) 1889 c. 63.

(b) 1967 c. 22.

(5) Any application for approval of expenditure shall be made in such form and manner and at such time as the Secretary of State may from time to time require and the applicant for grant shall furnish all such particulars and information relating to the expenditure as the Secretary of State may require.

4.—(1) Subject to the provisions of sub-paragraphs (3) and (4) of this paragraph, the Secretary of State shall not approve any expenditure for the purposes of a grant under this scheme if it appears to him that the land on which there is or is to be carried on or established the agricultural business for the purposes of which, or in connection with which, the expenditure is or is to be incurred is land—

(a) which lacks such buildings as are, in the opinion of the Secretary of State necessary for agricultural production on that land, and

(b) all or the greater part of which has, within a period of 5 years ending on the date of the application for approval, reverted from being occupied as part of a larger agricultural unit capable of yielding a sufficient livelihood to an occupier reasonably skilled in husbandry.

(2) Subject to the provisions of the next following sub-paragraph, the Secretary of State shall not approve for the purposes of a grant under this scheme expenditure in respect of any work or facility unless he is satisfied that the agricultural business for the purposes of which, or in connection with which, the expenditure is or is to be incurred is capable of yielding a sufficient livelihood to a person reasonably skilled in husbandry or will be capable of doing so after the carrying out or provision of the work or facility in respect of which the expenditure is or is to be incurred.

(3) The preceding provisions of this paragraph shall not apply as respects any expenditure—

(a) in respect of any work or facility which is of a kind specified in any of the paragraphs 4 to 15 and, insofar as it relates to any of those paragraphs, paragraph 16 of Schedule 1 and which, in the opinion of the Secretary of State, would continue to be of benefit to the land on which the said agricultural business is or is to be carried on or established if that land were to be subsequently occupied as part of a larger agricultural unit ;

(b) in respect of any work or facility certified under section 26(6) of the Agriculture Act 1967 as a consequence of an amalgamation or boundary adjustment, proposals for which were approved in pursuance of the Farm Amalgamations and Boundary Adjustments Scheme 1967(a), that approval having been treated, by virtue of a subsequent scheme under section 26 of that Act, as an approval of the amalgamation or boundary adjustment, as the case may be, given in pursuance of the latter scheme.

(4) The provisions of sub-paragraph (1) of this paragraph shall not apply as respect any expenditure if it appears to the Secretary of State that—

(a) the land referred to in that sub-paragraph is newly reclaimed for, or restored to, agriculture, or

(b) the reverting of the land described in sub-paragraph (1)(b) hereof was not contrary to the interests of good estate management.

Duration of Scheme

5. Expenditure shall qualify for grant under this scheme if application for its approval for the purposes of such a grant is made before 1st January 1978.

(a) S.I. 1967/1608 (1967 III, p. 4418).

Amounts of grant

6. The amounts of grant payable under this scheme shall be determined in accordance with the provisions of Schedule 2.

Restrictions on grant

7. The Secretary of State may reduce or withhold grant payable under this scheme in any case where—

- (a) assistance in respect of expenditure towards which grant is made is or may be given otherwise than under this scheme ; or
- (b) the carrying out or provision of the work or facility, towards the expenditure on which grant is made, appears to the Secretary of State to frustrate the purposes served by any expenditure incurred in respect of any other work or facility, or incurred on any other occasion, being expenditure in respect of which a grant has been paid out of money provided by Parliament under section 29 of the Agriculture Act 1970 or any other enactment in that or any other Act.

Gordon Campbell,
One of Her Majesty's Principal
Secretaries of State.

St. Andrew's House,
Edinburgh.
23rd November 1970.

We approve.
24th November 1970.

Bernard Weatherill,
V. H. Goodhew,
Two of the Lords Commissioners of
Her Majesty's Treasury.

Paragraph 3(1)(a)

SCHEDULE 1

WORKS AND FACILITIES ELIGIBLE FOR GRANT

1. Provision, replacement, improvement, alteration, enlargement or reconditioning of permanent buildings (excluding living accommodation and buildings designed and intended for specialised horticultural use), silos, bulk dry stores, yards, loading platforms, ramps or banks.
2. Provision, replacement or improvement of systems for the disposal of farm waste.
3. Provision, replacement or improvement of facilities for the supply of electricity or gas for agricultural purposes.
4. Field drainage, including under-drainage and ditching.
5. Provision, replacement or improvement of facilities for the supply of water.
6. Making, improvement or alteration of the banks or channels of watercourses to provide or improve the drainage of agricultural land or to prevent or mitigate the flooding or erosion of agricultural land.
7. Provision, replacement or improvement of roads, fords, bridges, culverts, railway crossings, creeps, piers, jetties or slips.
8. Provision, replacement or improvement of sheep grids or cattle grids.
9. Provision, replacement or improvement of pens, stells or other fixed equipment (other than any works or facilities specified in paragraph 1 of this Schedule) for use in connection with the sheltering, gathering, treatment or feeding of sheep or cattle.
10. Provision, replacement or improvement of permanent fences, hedges, walls or gates.
11. Provision, replacement or improvement of shelter belts or shelter hedges.
12. Clearance of scrub or felled woodland, orchard grubbing, land levelling or grading (including filling in of ditches or ponds), removal of hedges, tree roots, boulders or other like obstructions to cultivation, bracken control, reclamation of waste land.
13. Operations for the benefit of hill land or of benefit in the farming of hill land, that is to say, reseeding and regeneration of grassland, laying down of permanent pasture, application of lime or fertiliser (excluding normal husbandry application), subsoiling, burning heather or grass or making muirburn.
14. Ploughing of land which has not been ploughed or used for arable crops for at least 12 years.
15. Destruction of cover for rabbits, whether or not on agricultural land.
16. Any work or facility incidental to the carrying out or provision of any work or facility specified in paragraphs 1 to 15 of this Schedule or necessary or proper in carrying it out or providing it or securing the full benefit thereof.

Paragraph 6

SCHEDULE 2

AMOUNTS OF GRANTS

1. Subject to the provisions of this Schedule and of paragraph 7 of this scheme, the amount of any grant payable under this scheme towards expenditure in respect of any work or facility of a kind specified in any paragraph of Schedule 1, the number of which is included in column 1 of the following table, shall be the percentage of that expenditure specified in relation to that paragraph—

(a) in column 2 of the table if application for approval of the expenditure for the purposes of a grant under this scheme is made before 19th March 1972, or

(b) in column 3 thereof if application for such approval is made on or after that date:

Provided that the amount of any grant payable under this scheme towards expenditure in respect of any work or facility specified as aforesaid which, in the opinion of the Secretary of State, is for the benefit of hill land or of benefit in the farming of hill land shall be the percentage of that expenditure specified in relation to that paragraph—

(a) in column 4 of the table if application for approval of the expenditure for the purposes of a grant under this scheme is made before 19th March 1972, or

(b) in column 5 thereof if application for such approval is made on or after that date.

TABLE

Number of paragraph in Schedule 1	Any work or facility (other than a work or facility which, in the opinion of the Secretary of State, is for the benefit of hill land or of benefit in the farming of hill land) in respect of which application for approval of the expenditure is made.		Any work of facility which, in the opinion of the Secretary of State, is for the benefit of hill land or of benefit in the farming of hill land and in respect of which application for approval of the expenditure is made.	
	before 19th March 1972	on or after 19th March 1972	before 19th March 1972	on or after 19th March 1972
Column 1	Column 2	Column 3	Column 4	Column 5
	per cent.	per cent.	per cent.	per cent.
1 to 3 and 15	40	30	40	30
4 and 6	60	50	70	60
5, 7 to 12 and 14... ..	40	30	60	50
13	not eligible	not eligible	60	50

2. The amount of any grant payable under this scheme towards expenditure in respect of the carrying out or provision of any work or facility which is incidental to the carrying out or provision of another work or facility of any kind specified in paragraphs 1 to 15 of Schedule 1 or necessary or proper in the carrying out or provision of that other work or facility or for securing the full benefit thereof shall be calculated at the rate of grant appropriate to that other work or facility in accordance with the provisions of this Schedule.

3. Notwithstanding the foregoing provisions of this Schedule, the amount of any grant payable under this scheme towards expenditure approved for the purposes of a grant under this scheme in respect of any work or facility certified under section 26(6) of the Agriculture Act 1967 shall be 50 per cent. of that expenditure: Provided that—

- (a) if any work or facility certified as aforesaid has been so certified as a consequence of an amalgamation or boundary adjustment approved, or submitted for approval, for the purposes of a grant under section 26 of the said Act, as originally enacted or as amended by section 32(2)(e) of the Agriculture Act 1970, on or after 19th March 1970 and not later than 18th March 1972 in pursuance of a scheme made under the said section 26, the amount of any grant payable under this scheme towards expenditure approved for the purposes of a grant under this scheme in respect of that work or facility shall be 60 per cent. of that expenditure, save that if grant of an amount not exceeding 50 per cent. of that expenditure has been made under the said section 26 as originally enacted, the amount of any grant payable under this scheme towards that expenditure shall be 10 per cent. of that expenditure ;
- (b) if expenditure incurred or to be incurred in respect of any work or facility certified as aforesaid (not being a work or facility which has been approved for the purposes of grant under the said section 26 before 19th March 1970) is submitted for approval, or approved, for the purposes of a grant under this scheme not later than 18th March 1972, the amount of any grant payable under this scheme towards expenditure approved for the purposes of a grant under this scheme in respect of that work or facility shall be 60 per cent. of that expenditure.

4. If an application for approval of expenditure for the purposes of a grant under this scheme in respect of any work or facility certified under section 26(6) of the Agriculture Act 1967 is, in the opinion of the Secretary of State, in substitution for an application for such approval of expenditure in respect of some other work of facility certified as aforesaid, the amount of any grant payable under this scheme towards the first mentioned expenditure shall be calculated at the rate of grant appropriate to the last mentioned expenditure in accordance with the provisions of paragraph 3 of this Schedule.

5. In such cases and subject to such conditions as the Secretary of State may from time to time determine, the amount of any expenditure towards which grant is payable under this scheme shall, if the applicant for grant so elects, be taken for the purpose of determining the amount of the grant as such standard amount as the Secretary of State may from time to time fix with the approval of the Treasury.

EXPLANATORY NOTE

(This Note is not part of the Scheme.)

This scheme is made under section 29 of the Agriculture Act 1970 which authorises the making of a scheme for the payment of grants towards capital expenditure incurred or to be incurred for the purposes of, or in connection with, an agricultural business. It applies to Scotland only.

This scheme lays down certain essential requirements relating to the land occupied by, and the size of, an agricultural business which must be satisfied before grant can be approved (paragraph 4). It prescribes the works and

facilities on which grant may be paid (paragraph 3(1) and Schedule 1), stipulates the rates of grant (paragraph 6 and Schedule 2), and makes provision for the apportionment of expenditure which is partly for an eligible purpose and partly for an ineligible purpose (paragraph 3(4)). It provides that grant which would otherwise have been payable may be reduced or withheld if it duplicates other assistance or if the work or facility frustrates expenditure previously grant aided (paragraph 7).

The scheme comes into operation on 1st January 1971 and requires that applications for approval of grant shall be made before 1st January 1978 (paragraph 5).

SI 1970/1805
ISBN 0-11-001805-2



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