

1970 No. 1759

## AGRICULTURE

## AGRICULTURAL GRANTS, GOODS AND SERVICES

## The Farm Capital Grant Scheme 1970

Made - - - - 25th November 1970

Laid before Parliament 1st December 1970

Coming into Operation 1st January 1971

The Minister of Agriculture, Fisheries and Food and the Secretary of State for Wales, acting jointly, in exercise of the powers conferred on them by sections 28, 29 and 51 of the Agriculture Act 1970(a) and of all other powers enabling them in that behalf, with the approval of the Treasury, hereby make the following scheme:—

*Citation, commencement and extent*

1. This scheme, which may be cited as the Farm Capital Grant Scheme 1970, shall come into operation on 1st January 1971 and shall apply to England and Wales and, save for paragraphs 3(2) and 5(2), Northern Ireland.

*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 109 of the Agriculture Act 1947(b);

“the appropriate Minister” means—

(a) in relation to England or Northern Ireland, and in relation to Wales for the purpose of the making, receipt or recovery of any payment, the Minister of Agriculture, Fisheries and Food;

(b) in relation to Wales, save for the purpose of the making, receipt or recovery of any payment, the Minister of Agriculture, Fisheries and Food and the Secretary of State acting jointly;

“approved” means approved by the appropriate Minister 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;

“Wales” includes Monmouthshire and references to England shall be construed accordingly.

(a) 1970 c. 40.

(b) 1947 c. 48.

(2) Subject to sub-paragraph (3) below, "hill land" means for the purposes of this scheme land in those parts of England and Wales specified in Schedule 1, or in Northern Ireland, which is also 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 the opinion of the appropriate Minister, 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 appropriate Minister 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 of facility, or part thereof, of a kind specified in Schedule 2 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 appropriate Minister 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) The works and facilities specified in this scheme for the purposes of section 51 of the Agriculture Act 1970 are the works and facilities specified in paragraphs 1 to 3, 5 to 12 and 14 to 17 of Schedule 2.

(3) Subject to the provisions of paragraph 4, the appropriate Minister may, as that Minister 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 appropriate Minister thinks fit.

(4) Where it appears to the appropriate Minister that expenditure in respect of which approval for the purposes of a grant under this scheme is applied for is expenditure incurred or to be incurred partly for the purposes of, or in connection with, the carrying on or establishment of an agricultural business and partly for other purposes, the appropriate Minister may for

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(a) 1889 c. 63.

(b) 1967 c. 22.

the purposes of a grant under 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 that Minister to be referable to the carrying on or establishment of that agricultural business.

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

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

4.—(1) Subject to the provisions of sub-paragraphs (3) and (4) of this paragraph, the appropriate Minister shall not approve any expenditure for the purposes of a grant under this scheme if it appears to that Minister 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 that Minister, 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 appropriate Minister shall not approve for the purposes of a grant under this scheme expenditure in respect of any work or facility unless that Minister 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 paragraphs 4 to 17 and, insofar as it relates to any of those paragraphs, paragraph 18 of Schedule 2 and which, in the opinion of the appropriate Minister, 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 the said Act, as an approval of the amalgamation or boundary adjustment, as the case may be, given in pursuance of the latter scheme.

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

(4) The provisions of sub-paragraph (1) of this paragraph shall not apply as respects any expenditure if it appears to the appropriate Minister 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.—(1) 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.

(2) For the purposes of section 51(1)(b) of the Agriculture Act 1970 the provisions of the last foregoing sub-paragraph shall apply as if for the reference therein to 1st January 1978 there were substituted a reference to 1st January 1976.

*Amounts of grant*

6. The amounts of grant payable under this scheme shall be determined in accordance with the provisions of Schedule 3.

*Restrictions on grant*

7. The appropriate Minister 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 under section 51 of the Agriculture Act 1970 ; or
- (b) the carrying out or provision of the work or facility, towards the expenditure on which grant is made, appears to the appropriate Minister 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.

In Witness whereof the Official Seal of the Minister of Agriculture, Fisheries and Food is hereunto affixed on 20th November 1970.

(L.S.)

*J. M. L. Prior,*

Minister of Agriculture, Fisheries and Food.

Given under my hand on 23rd November 1970.

*Peter Thomas,*

Secretary of State for Wales.

We approve.  
25th November 1970.

*Bernard Weatherill,*

*V. H. Goodhew,*

Two of the Lords Commissioners of  
Her Majesty's Treasury.

## SCHEDULE 1

Paragraph 2(2)

## PARTS OF ENGLAND AND WALES IN WHICH HILL LAND MAY LIE

The administrative counties of Chester, Cornwall, Cumberland, Derby, Devon, Durham, Hereford, Lancaster, Northumberland, Salop, Somerset, Stafford, Westmorland, York (North Riding), York (West Riding).

Any county borough which is surrounded in whole or in part by any of the above mentioned administrative counties.

Wales, excluding Anglesey.

## SCHEDULE 2

Paragraph 3(1)(a)

## 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. Provision or improvement of farm flood protection works ; protection or improvement of river banks.
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, clearance and reclamation of land, 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. Claying and marling.
17. Provision, replacement or improvement of wirework for hop gardens.
18. Any work or facility incidental to the carrying out or provision of any work or facility specified in paragraphs 1 to 17 of this Schedule or necessary or proper in carrying it out or providing it or securing the full benefit thereof.

## Paragraph 6

## SCHEDULE 3

## AMOUNTS OF GRANT

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 2, 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 appropriate Minister, 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 2	Any work or facility (other than a work or facility which, in the opinion of the appropriate Minister, 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 or facility which, in the opinion of the appropriate Minister, 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, 15 to 17	40	30	40	30
4	60	50	70	60
5 to 12, 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 17 of Schedule 2 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 appropriate Minister, in substitution for an application for such approval of expenditure in respect of some other work or 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 appropriate Minister 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 appropriate Minister may from time to time fix with the approval of the Treasury.

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#### 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 England and Wales and Northern Ireland.

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 2) and stipulates the rates of grant (paragraph 6 and Schedule 3), 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(1)). It also specifies the works and facilities in respect of which a supplementary grant may be made to smallholdings authorities under section 51 of the Agriculture Act 1970 in connection with approved proposals for the reorganisation of smallholdings estates in England and Wales (paragraph 3(2)).

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