

1970 No. 2025

## AGRICULTURE

## AGRICULTURAL GRANTS, GOODS AND SERVICES

The Farm Amalgamations and Boundary Adjustments  
Scheme 1970*Laid before Parliament in draft**Made - - - - 29th December 1970**Coming into Operation —**Paragraph 13 - - 30th December 1970**Remainder - - 1st January 1971*

The Minister of Agriculture, Fisheries and Food, in relation to England and Northern Ireland, and that Minister and the Secretary of State for Wales acting jointly in relation to Wales, in exercise of the powers conferred on them by sections 26, 35 (as those sections have effect by virtue of sections 29(6) and 32 of the Agriculture Act 1970(a)) and 40(2) of the Agriculture Act 1967(b), as read with the Transfer of Functions (Wales) Order 1969(c), and section 50 of the Agriculture Act 1970, and the Secretary of State for Scotland, in relation to Scotland, in exercise of the powers conferred on him by the said sections 26, 35 and 40(2), the said Ministers acting jointly in exercise of these and all other powers enabling them in that behalf, with the approval of the Treasury, hereby make the following scheme, a draft whereof has been laid before Parliament and approved by a resolution of each House of Parliament:—

*Citation, commencement and extent*

1.—(1) This scheme, which may be cited as the Farm Amalgamations and Boundary Adjustments Scheme 1970, shall come into operation on 1st January 1971, save that paragraph 13 hereof shall come into operation at the expiration of the day on which the scheme is made.

(2) This scheme shall apply throughout the United Kingdom, save that paragraph 9 hereof shall apply to England and Wales only.

*Interpretation*

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

“the Act” means the Agriculture Act 1967;

“agriculture”, “agricultural land”, “agricultural unit” and cognate expressions and references to farming shall be construed, except in relation to Scotland, in accordance with section 109 of the Agriculture Act 1947(d) and in relation to Scotland, in accordance with section 86 of the Agriculture (Scotland) Act 1948(e);

(a) 1970 c. 40.

(b) 1967 c. 22.

(c) S.I. 1969/388 (1969 I, p. 1070).

(d) 1947 c. 48.

(e) 1948 c. 45.

“ amalgamation ” and “ boundary adjustment ” have the meanings given by section 26(1) of the Act ;

“ 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 ;

(c) in relation to Scotland, the Secretary of State ;

“ approved ” means approved by the appropriate Minister in writing, and “ approve ” and “ approval ” shall be construed accordingly ;

“ commercial unit ” means an agricultural unit which in the opinion of the appropriate Minister is capable, when farmed under reasonably skilled management, of providing full-time employment for an individual occupying it and for at least one other man (or full-time employment for an individual occupying it and employment for members of his family or other persons equivalent to full-time employment for one man) ;

“ cost ”, in relation to any proposal for grant in connection with an amalgamation or a boundary adjustment, does not include the cost of purchasing any land ;

“ full-time employment ” in relation to an individual occupying a commercial unit and one other man means employment provided by such crops and livestock as would in the opinion of the appropriate Minister occupy the time of a farmer and one other man for at least 600 days in aggregate in a year on average if a system of husbandry suitable for the district is followed and the greater part of the feeding stuffs required by any livestock kept on the unit is grown there, and in relation to an individual occupying an intermediate unit means such employment as aforesaid as would, in the opinion of the appropriate Minister, occupy the time of a farmer for at least 275 days in aggregate in a year on average in similar circumstances ;

“ intermediate unit ” means an agricultural unit which in the opinion of the appropriate Minister is capable, when farmed under reasonably skilled management, of providing full-time employment for an individual occupying it ;

“ land ” includes any estate or interest in land ;

“ smallholdings authority ” has the meaning assigned to it by section 38 of the Agriculture Act 1970 ;

“ uncommercial unit ” shall be construed in accordance with section 40(3) of the Act.

(2) Where any agricultural land in Scotland consists of or includes a croft or holding, for the purposes of determining under the preceding provisions of this paragraph whether an agricultural unit formed by that land is commercial, intermediate or uncommercial, the land shall be taken to include any right in pasture or grazing land held by the tenant or landholder whether alone or in common with others and deemed to form part of the croft or holding.

In this sub-paragraph “croft” and “holding” have the meanings ascribed to them by the Crofters (Scotland) Acts 1955 and 1961(a) and the Small Landholders (Scotland) Acts 1886 to 1931(b) respectively.

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

(4) Unless the context otherwise requires, any reference in this scheme to an enactment shall be construed as a reference to that enactment as amended or extended by any other enactment.

*Restrictions on amalgamations to which this scheme applies*

3.—(1) This scheme shall not apply to any amalgamation of a kind described in section 26(1)(a) of the Act—

- (a) unless there is comprised in that amalgamation land which is, or forms part of, an uncommercial unit and unless the appropriate Minister is satisfied that that land or any part thereof either—
  - (i) has not reverted from being in single ownership or occupation with other agricultural land since 4th August 1965, or
  - (ii) has so reverted in consequence of the death or bankruptcy of the owner thereof, or
  - (iii) has so reverted in the interests of good estate management or good husbandry or otherwise than in consequence of any act or default of the applicant for grant ;
- (b) where any land comprised in the amalgamation, being land other than that mentioned in sub-paragraph (1)(a) above, has by reason of the amalgamation reverted as mentioned in sub-paragraph (1)(a)(i) hereof, unless the appropriate Minister is satisfied that the said land has so reverted for one of the reasons set out in sub-paragraph (1)(a)(iii) hereof ;
- (c) where all the land comprised in the amalgamation has been in single ownership and occupation at any time since 4th August 1965 ;
- (d) unless the land referred to in sub-paragraph (1)(a) hereof or, where that land comprises part only of an uncommercial unit, those parts of that unit which are comprised in amalgamations approved in pursuance of this scheme is or are in the opinion of the appropriate Minister capable, when farmed under reasonably skilled management and in the case of such land comprising a part or parts of an uncommercial unit when farmed in conjunction with any dwelling-house or other building included in the unit, of providing for an individual occupying it or them employment for at least 80 days in aggregate in a year on average if a system of husbandry suitable for the district is followed and the greater part of the feeding stuffs required by any livestock kept on the unit or, as the case may be, the said part or parts of that unit is grown on the unit or the said part or parts thereof.

(2) For the purposes of sub-paragraphs (1)(a), (b) and (c) of this paragraph, no account shall be taken of any change in ownership or occupation of any piece of land which appears to the appropriate Minister to be of little, or no, farming significance ; and for the purposes of sub-paragraph (1)(a) of this paragraph, in any case where the bankruptcy referred to took place

(a) 1955 c. 21; 1961 c. 58.

(b) See Small Landholders (Scotland) Act 1911 (c. 49).  
(c) 1889 c. 63.

in Scotland, the reference to bankruptcy of the owner shall be construed as a reference to his having become notour bankrupt or having executed a trust deed for behoof of his creditors.

*Approval of amalgamations and boundary adjustments*

4.—(1) Subject to the provisions of paragraph 9 of this scheme, application for the approval of an amalgamation or boundary adjustment in pursuance of this scheme shall be made to the appropriate Minister before, or within the period of one year immediately following, the completion of the transaction and within 7 years from the commencement of this scheme.

(2) Each such application shall be made in such form and manner as the appropriate Minister may require and the applicant shall furnish all such particulars and information relating to the application as that Minister may reasonably require.

(3) Subject to the provisions of paragraphs 5 to 7 and 9 of this scheme, the appropriate Minister may as he thinks fit either refuse to approve an amalgamation or boundary adjustment submitted to him in accordance with the foregoing provisions of this paragraph or approve it wholly or in part.

(4) Approval of proposals for an amalgamation or boundary adjustment given in pursuance of the Farm Amalgamations and Boundary Adjustments Scheme 1967(a) may be treated as an approval of that amalgamation or boundary adjustment given in pursuance of this scheme.

*Amalgamations*

5. Subject to the provisions of the next following paragraph, the appropriate Minister shall not approve an amalgamation in pursuance of this scheme unless that Minister is satisfied that—

- (a) the amalgamation is in the interests of the full and efficient use for agriculture of the land to be comprised in the resulting unit, having regard to its cost and to all the other circumstances ; and
- (b) the resulting unit will be such as can effectively be farmed as an agricultural unit.

6. Subject to the provisions of paragraph 9 of this scheme, the appropriate Minister shall not approve an amalgamation of a kind described in section 26(1)(a) of the Act which is designed to result in the formation or expansion of an intermediate unit unless that amalgamation appears to him to be expedient as a step towards the eventual formation of a commercial unit, having regard to—

- (a) the size and character of the uncommercial unit or the part thereof which is to be the nucleus of the resulting intermediate unit ;
- (b) the amount of other land that would have to be added to that uncommercial unit or to the part thereof to form a commercial unit ;
- (c) the suitability of the resulting unit to form the nucleus of a commercial unit.

*Boundary adjustments*

7. The appropriate Minister shall not approve a boundary adjustment in pursuance of this scheme unless that Minister is satisfied that the boundary adjustment—

- (a) will improve the suitability of at least one agricultural unit for the full and efficient pursuit of agriculture ; and
- (b) is in the interests of good estate management or good husbandry, having regard to its cost and to all the other circumstances.

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

*Grants towards expenditure*

**8.**—(1) Subject to the provisions of this scheme, the appropriate Minister may make grants in respect of such of any expenditure of a kind specified in this paragraph as is approved for the purposes of grant by the appropriate Minister in connection with an amalgamation or boundary adjustment approved by that Minister in pursuance of this scheme.

(2) The expenditure towards which a grant may be made under section 26 of the Act in accordance with this scheme shall be the costs of the amalgamation or boundary adjustment consisting of surveyor's fees and legal costs (excluding, in either case, any such fees or costs attributable to negotiations in connection with a purchase or sale), stamp duty on any conveyance, lease, tenancy agreement or mortgage or heritable security, any compensation for disturbance and the cost of obtaining any requisite consent of the Ministry of Finance for Northern Ireland.

(3) In this paragraph "compensation for disturbance" means compensation for disturbance under—

- (a) section 34 of the Agricultural Holdings Act 1948(a),
- (b) section 35 of the Agricultural Holdings (Scotland) Act 1949(b), or
- (c) section 3 of the Landlord and Tenant (Ireland) Act 1870(c).

(4) Where it appears to the appropriate Minister that expenditure in respect of which approval for the purposes of a grant under section 26 of the Act is applied for is expenditure incurred partly in connection with the carrying out of an amalgamation or boundary adjustment and partly in connection with some other transaction or for some other purpose, the appropriate Minister may for the purposes of a grant under the said section 26 treat as having been incurred in connection with the carrying out of an amalgamation or boundary adjustment so much of that expenditure as appears to that Minister to be referable to the carrying out of that amalgamation or boundary adjustment.

*Grants towards amalgamations by smallholdings authorities*

**9.**—(1) Without prejudice to the power of the appropriate Minister under section 26 of the Act and in accordance with the other provisions of this scheme to make grants to smallholdings authorities towards expenditure incurred in connection with the carrying out of amalgamations and boundary adjustments, that Minister may, only in such cases as that Minister may with the approval of the Treasury determine, make grants under the said section 26 in accordance with the provisions of this scheme other than the provisions of paragraph 6 hereof to smallholdings authorities in respect of expenditure incurred in connection with the carrying out of amalgamations of a kind described in section 26(1)(a) of the Act which are designed to result in the formation or expansion of intermediate units but which are not designed as steps towards the eventual formation of commercial units, being transactions to give effect to proposals approved and for the time being in force under sections 40 to 43 of the Agriculture Act 1970.

(2) Section 50 of the said Act of 1970 shall have effect in relation to this scheme and no grant shall be made under this scheme in accordance with this paragraph to a smallholdings authority in respect of expenditure incurred in connection with any particular transaction unless an application for the making of the grant has been made by the authority in accordance

(a) 1948 c. 63.

(b) 1949 c. 75.

(c) 1870 c. 46.

with this scheme within 5 years from the commencement of this scheme ; but—

- (a) the application may be made at any time after the authority have submitted to the appropriate Minister proposals under the said section 40 which include proposals relating to that transaction or have submitted to that Minister proposals relating to that transaction under the said section 43 ; and
- (b) where the transaction is comprised in proposals submitted under the said section 40, the grant may be made at any time after the appropriate Minister has approved so much of those proposals as relates to that transaction, whether any other part of the proposals submitted by the authority has then been approved or not.

*Amounts of grant*

**10.**—(1) Subject to the provisions of this paragraph, the amount of any grant payable under section 26 of the Act in accordance with this scheme towards expenditure shall be one half of that expenditure so far as approved by the appropriate Minister :

Provided that the amount of any such grant towards expenditure incurred in connection with any amalgamation or boundary adjustment an application for approval of which is made in pursuance of this scheme not later than 18th March 1972 shall be three-fifths of that expenditure so far as approved by the appropriate Minister.

(2) As respects expenditure of a kind specified in paragraph 8 of this scheme incurred in connection with an amalgamation or boundary adjustment proposals for which were submitted for approval in pursuance of the Farm Amalgamations and Boundary Adjustments Scheme 1967 on or after 19th March 1970 and not later than 31st December 1970 or approved in pursuance of the said scheme on or after 19th March 1970 and not later than 18th March 1972, that approval being treated by virtue of paragraph 4(4) of this scheme as having been given in pursuance of this scheme—

- (a) if grant of an amount not exceeding one half of that expenditure has been made under section 26 of the Act as originally enacted, the amount of any grant payable in accordance with this scheme under section 26 of the Act as amended by the Agriculture Act 1970 shall be one-tenth of that expenditure so far as approved by the appropriate Minister ;
- (b) if no grant towards that expenditure has been made under section 26 of the Act as originally enacted, the amount of any grant payable in accordance with this scheme under section 26 of the Act as amended by the Agriculture Act 1970 shall be three-fifths of that expenditure so far as approved by the appropriate Minister.

*Payment of grant*

**11.**—(1) Grant under section 26 of the Act shall be payable to the person or persons by whom or on whose behalf the transaction is carried out.

(2) It shall be a condition of the making of payment of any grant under section 26 of the Act that—

- (a) the transaction shall have been carried out to the satisfaction of the appropriate Minister and in accordance with any conditions subject to which approval was given by that Minister ;
- (b) the claim for payment shall have been made in such form, and the applicant for grant shall have furnished such particulars and information, as the appropriate Minister may require.

*Certificate as to works and facilities for a claim under section 29 of the Agriculture Act 1970*

12. The appropriate Minister may, if he thinks fit, for the purposes of a claim for grant under section 29 of the Agriculture Act 1970 issue a certificate with respect to any work or facility of a kind described in the Schedule to this scheme that he considers it to be necessary or, in the case of any work or facility described in paragraphs 3 to 19 of that Schedule, desirable as a consequence of an amalgamation, or to be necessary as a consequence of a boundary adjustment, approved by that Minister in pursuance of this scheme.

*Variation of the Farm Amalgamations and Boundary Adjustments Scheme 1967*

13. The Farm Amalgamations and Boundary Adjustments Scheme 1967 shall be varied by substituting in paragraph 4(1) thereof for the words "within seven years from the commencement of this scheme" the words "before 1st January 1971".

In Witness whereof the Official Seal of the Minister of Agriculture, Fisheries and Food is hereunto affixed on 18th December 1970.

(L.S.)

*J. M. L. Prior,*

Minister of Agriculture, Fisheries and Food.

Given under the Seal of the Secretary of State for Scotland on 21st December 1970.

(L.S.)

*Gordon Campbell,*

Secretary of State for Scotland.

Given under my hand on 22nd December 1970.

*Peter Thomas,*

Secretary of State for Wales.

We approve,  
29th December 1970.

*V. H. Goodhew,  
Bernard Weatherill,*

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

## SCHEDULE

## Paragraph 12.

## WORKS AND FACILITIES WHICH MAY BE CERTIFIED FOR THE PURPOSES OF A CLAIM FOR GRANT UNDER SECTION 29 OF THE AGRICULTURE ACT 1970

1. Erection, alteration, enlargement, reconditioning or demolition of permanent dwelling-houses where necessary as a consequence of an amalgamation.
2. Any operation incidental to the carrying out or provision of any work or facility specified in the preceding paragraph or necessary or proper in carrying it out or providing it or securing the full benefit thereof.
3. Demolition, dismantling, removal or re-siting of any fixed equipment, plant or machinery on farms.
4. Separation of a dwelling-house and the land occupied therewith from a unit of land resulting from an amalgamation, including partitioning, fencing, the provision of independent means of access and the provision or laying on of electric light or power, gas, water and other services to the said house and land.
5. Provision, replacement, improvement, alteration, enlargement or reconditioning of permanent buildings (excluding living accommodation), silos, bulk dry stores, yards, loading platforms, ramps or banks.
6. Provision, replacement or improvement of systems for the disposal of farm waste.
7. Provision, replacement or improvement of facilities for the supply of electricity or gas for agricultural purposes.
8. Field drainage, including under-drainage and ditching.
9. Provision, replacement or improvement of facilities for the supply of water.
10. Provision or improvement of farm flood protection works; protection or improvement of river banks.
11. Provision, replacement or improvement of roads, fords, bridges, culverts, railway crossings, creeps, piers, jetties or slips.
12. Provision, replacement or improvement of sheep grids or cattle grids.
13. Provision, replacement or improvement of pens, stells or other fixed equipment for use in connection with the sheltering, gathering, treatment or feeding of sheep or cattle.
14. Provision, replacement or improvement of permanent fences, hedges, walls or gates.
15. Provision, replacement or improvement of shelter belts or shelter hedges.
16. 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.
17. Claying and marling.
18. Provision and installation of fixed plant or machinery (including fixtures and fittings) for agricultural purposes if approved for the purposes of grant under section 26(3)(b) or (3)(c) of the Agriculture Act 1967, as originally enacted, in pursuance of the Farm Amalgamations and Boundary Adjustments Scheme 1967.
19. Any work or facility incidental to the carrying out or provision of any work or facility specified in paragraphs 3 to 18 of this Schedule or necessary or proper in carrying it out or providing it or securing the full benefit thereof.



## EXPLANATORY NOTE

*(This Note is not part of the scheme.)*

This scheme, which is made under section 26 of the Agriculture Act 1967 as amended by section 32(2) of the Agriculture Act 1970 and comes into operation on 1st January 1971, supersedes the Farm Amalgamations and Boundary Adjustments Scheme 1967. The scheme provides for the approval of, and for the payment of grants towards expenditure incurred in carrying out, amalgamations of agricultural land and adjustments to agricultural units to give more satisfactory boundaries. In accordance with the 1967 Act, the scheme does not extend to any application for approval of an amalgamation or boundary adjustment made after the expiration of 7 years from the commencement of the scheme. It applies to the whole of the United Kingdom, save that certain provisions relating to smallholdings (paragraph 9) apply to England and Wales only.

The scheme provides that in the case of an amalgamation which is to result in the formation of either a commercial unit, which is large enough to provide not less than 600 days' work in a year in aggregate for two or more men, or an intermediate unit, which can provide at least 275 days' work a year for one man, if that amalgamation is to be eligible for approval it must absorb all or part of at least one uncommercial unit, the part being absorbed being capable, together with any other part being absorbed in any other approved amalgamation, of providing work for an occupier for at least 80 days in a year (paragraph 3).

The scheme lays down tests to be satisfied in relation to the eligibility for approval of amalgamations and boundary adjustments (paragraphs 5 to 7). It specifies the kind of expenditure in connection with an amalgamation or boundary adjustment towards which grant may be paid (paragraph 8) and also the amount of that grant (paragraph 10).

The scheme makes limited provision, in accordance with section 50 of the Agriculture Act 1970, for grants to smallholdings authorities towards amalgamations resulting in intermediate units which are not to be steps towards the eventual formation of commercial units, the amalgamations being among those which give effect to approved proposals for the reorganisation of smallholdings estates (paragraph 9).

The scheme differs from the scheme of 1967 in that it makes no provision for grants towards the cost of works carried out in consequence of an amalgamation or boundary adjustment. Provision is made, however, for the issue of a certificate for the purposes of a claim for grant under section 29 of the Agriculture Act 1970 (which provides for grants towards capital expenditure incurred or to be incurred for the purposes of, or in connection with, an agricultural business) with respect to specified kinds of works and facilities carried out or provided in consequence of an amalgamation or boundary adjustment (paragraph 12 and the Schedule).

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