

1973 No. 1945

HORTICULTURE**HORTICULTURAL GRANTS****The Horticulture Capital Grant Scheme 1973**

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| <i>Made - - - -</i> | <i>20th November 1973</i> |
| <i>Laid before Parliament</i> | <i>29th November 1973</i> |
| <i>Coming into Operation</i> | <i>1st January 1974</i> |

The Minister of Agriculture, Fisheries and Food, the Secretary of State for Scotland and the Secretary of State for Wales, acting jointly, in exercise of the powers conferred upon them by section 29 of the Agriculture Act 1970(a), and of all their other enabling powers, with the approval of the Treasury, hereby make the following scheme:—

Citation, extent and commencement

1. This scheme, which may be cited as the Horticulture Capital Grant Scheme 1973, shall apply throughout the United Kingdom, and shall come into operation on 1st January 1974.

Interpretation

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

“the Act” means the Agriculture Act 1970;

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

“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;

(a) 1970 c. 40.

“glasshouse” means a fixed or mobile structure, used for the production of horticultural produce for sale, which is mounted on durable foundations, is not less than 5½ feet high at the ridge, and of which more than half the total area of the sides, ends and roof is of glass or of such other translucent material as will, to the satisfaction of the appropriate Minister, give a durability and transparency similar to that of glass;

“horticultural produce” means—

- (a) fruit,
- (b) vegetables of a kind grown for human consumption, including fungi, but not including maincrop potatoes or peas grown for seed, for harvesting dry or for vining,
- (c) flowers, pot plants and decorative foliage,
- (d) herbs,
- (e) seeds, other than pea seeds, and bulbs and other material, being seeds, bulbs or material for sowing or planting for production of fruit, of such vegetables, flowers, plants or foliage as aforesaid, or of herbs, or for reproduction of the seeds, bulbs or other material planted, or
- (f) trees and shrubs, other than trees grown for the purposes of afforestation, but does not include hops;

“horticultural production business” means an agricultural business which consists in, or such part of an agricultural business as consists in, the growing in the United Kingdom of horticultural produce for sale, or the growing of such produce and its storage, preparation for market or transport;

“preparation for market”, in relation to horticultural produce, does not include canning, bottling, pulping or cooking, or preserving by sterilisation, by freezing, by dehydrating, by heat or by chemical process.

(2) Except in so far as the context otherwise requires, any reference in this scheme to a numbered paragraph or Schedule shall be construed as a reference to the paragraph or Schedule bearing that number in this scheme.

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

Eligible expenditure

3. 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 of a horticultural production business, being expenditure which—

- (a) has been or is to be incurred in respect of the provision of any facility, or the carrying out of any work, or any part thereof, of a kind specified in Schedule 1;
- (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.

Basic conditions of eligibility for a grant

4.—(1) A grant shall not be payable under paragraph 3 unless the appropriate Minister is satisfied that—

- (a) at all times during the period of 24 months ending with the date of application for approval there has been occupied for the purposes of the horticultural production business not less than four acres of land calculated, as appropriate, in accordance with the provisions of sub-paragraph (2) below; and
 - (b) the business will, after the proposals in respect of which expenditure is to be or has been incurred have been carried out, be capable of yielding a sufficient livelihood to any person carrying it on with reasonable efficiency.
- (2) For the purposes of sub-paragraph (1)(a) above, there shall be added to the actual area of the land occupied for the purposes of the horticultural production business any area given by multiplying—
- (a) by 20 the area of land in any building so occupied for the production of rhubarb or mushrooms; and
 - (b) by 20 the area of land so occupied which is or can at any one time be covered by any glasshouse in use or available for use thereon; and
 - (c) by 5 the area of any watercress bed on the land so occupied; and
 - (d) by 5 the area of any land so occupied which is or can at any one time be covered by any structure (not being a glasshouse) in use or available for use thereon, and clad with glass or other translucent material, including lights, cloches and plastic tunnels designed and used to give all round protection to crops; and
 - (e) by 5 any part of the land so occupied which is necessary for access to horticultural produce growing or to be grown on any area mentioned in paragraphs (c) or (d) of this sub-paragraph.
- (3) The area referred to in sub-paragraph (2)(a) above includes the superficial area of the soil or other material used for growing mushrooms in trays or on shelves.

Applications for, and conditions of payment of, grants

5.—(1) It shall be a condition of the making of payment of a grant to any person under this scheme that—

- (a) there is an application in writing for the approval of the appropriate Minister stating the facility in respect of the provision of which, or the work in respect of the carrying out of which, expenditure towards which a grant is claimed has been or is to be incurred, and furnishing such other information as that Minister may reasonably require;
 - (b) the appropriate Minister has approved the proposals in respect of the carrying out of which the expenditure has been or is to be incurred, whether or not subject to conditions specified by him in writing;
 - (c) no modification of the approved proposals has been carried out, except with the approval of the appropriate Minister, and subject to such conditions (if any) as may have been specified by him in writing;
 - (d) the appropriate Minister is satisfied that the approved proposals have been carried out in a proper manner, and completed without avoidable delay, and any condition subject to which an approval has been given has been complied with.
- (2) The appropriate Minister may 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 may think fit.

Duration of scheme

6. Expenditure shall only qualify for consideration for a grant under this scheme if application for its approval for the purposes of such a grant is made before 1st January 1981.

Amounts of grant

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

Restrictions on expenditure in respect of which grant may be payable

8.—(1) Where at the date on which a claim for a grant under this scheme is received by the appropriate Minister—

(a) the amount of the expenditure included in the claim and towards which grant is payable, or

(b) the aggregate of the amount of that expenditure and any other expenditure towards which a grant has been paid or is payable in respect of the same agricultural business under this scheme or any other scheme made under section 29 of the Act which comes into operation on or after 1st January 1974, or under any regulations made under section 2(2) of the European Communities Act 1972(a) which provide for the payment of grant to a person carrying on an agricultural business as therein defined in accordance with an approved development plan, being expenditure in respect of which a claim for payment of grant has been received during the two years immediately preceding the date of the present claim, exceeds 40,000 units of account per labour unit appearing to the appropriate Minister to be required in the carrying on of the agricultural business to which the claim relates, the appropriate Minister shall not pay grant towards so much of that expenditure or, as the case may be, the aggregate of that expenditure as exceeds that figure.

(2) For the purposes of sub-paragraph (1) above—

(a) “unit of account” means a unit of account of the European Economic Community, and the reference to “40,000 units of account” shall be taken to be a reference to the sterling equivalent of that number of units of account on the date on which the claim for grant is received, calculated at such rate as may appear to the appropriate Minister to be appropriate, having regard to any relevant provisions of any instrument issued by that Community; and

(b) “labour unit” means the amount of work, other than work done by contractors, which would, in the opinion of the appropriate Minister, occupy the full time (not exceeding 2,300 hours per year) of a full-time adult male worker.

(3) Where it appears to the appropriate Minister that the facility in respect of the provision of which, or the work in respect of the carrying out of which, expenditure towards which a grant under this scheme is claimed has been or is to be incurred is partly for the purposes of a horticultural production business and partly for other purposes, and is, so far as it is for the purposes of that business, a facility or work of a kind specified in Schedule 1, grant may be paid towards such proportion of the expenditure reasonably incurred in carrying out approved proposals for the provision of that facility or the carrying out of that work as appears to that Minister to be referable to the purposes of the horticultural production business.

(a) 1972 c. 68.

Restriction on grant

9. The appropriate Minister may reduce or withhold grant payable under this scheme in any case where—

- (a) assistance in respect of the expenditure towards which grant is claimed is or may be given otherwise than under this scheme; or
- (b) the provision of the facility or the carrying out of the work in respect of which the expenditure towards which grant is claimed is or is to be incurred appears to the appropriate Minister to frustrate the purposes served by assistance previously given out of money provided by Parliament or the European Economic Community.

In Witness whereof the Official Seal of the Minister of Agriculture, Fisheries and Food is hereunto affixed on 19th November 1973.

(L.S.)

Joseph Godber,
Minister of Agriculture, Fisheries and Food.

20th November 1973.

Gordon Campbell,
Secretary of State for Scotland.

20th November 1973.

Peter Thomas,
Secretary of State for Wales.

We approve.

20th November 1973.

Hugh Rossi,
P. L. Hawkins,
Two of the Lords Commissioners of
Her Majesty's Treasury.

Paragraphs 3, 8(3)

SCHEDULE 1

FACILITIES FOR WHICH GRANT MAY BE PAID

IMPROVEMENTS TO LAND

1. Reclamation of waste land.
2. Grubbing up of orchards.
3. Removal of hedges and banks, filling in of ditches, removal of boulders, tree roots and other obstructions to efficient production.
4. Land levelling work, including filling in of ponds and depressions.
5. Provision, replacement and improvement of roads, paths and other permanent ways, railway crossings, bridges, under-passes, fords and hard-standings.
6. Provision, replacement, improvement and renewal of cattle grids.
7. Provision, replacement and improvement (but not repair) of permanent fences (including hedges), walls and gates.
8. Provision, replacement or improvement of shelter belts.
9. Provision, replacement, reconstruction, alteration, enlargement or other improvement of watercress beds.

BUILDINGS (other than dwelling houses)

10. Provision or enlargement of permanent buildings (other than buildings designed and intended for the production of horticultural produce).
11. Replacement, improvement, alteration or reconditioning of permanent buildings, of permanently sited frames and of durable structures for cladding with film plastic.
12. Provision, replacement or improvement of permanent yards, loading platforms and ramps.
13. Supply and installation of permanent thermal insulation, vapour sealing or gas sealing, for the control of temperature or atmosphere in buildings.

PROVISION OF SERVICES FOR BUILDINGS (other than dwelling houses)

14. Provision, replacement or improvement of systems for the disposal of sewage, effluent and waste.
15. Provision of water, gas or electricity supply.

PLANT AND EQUIPMENT FOR PRODUCTION AND HARVESTING

16. Supply and installation of the following kinds of new plant and equipment to be used for, or in connection with, the production and harvesting of horticultural produce:—

- (i) Plant and equipment for the control of environment in buildings and in durable structures clad with film plastic, including:—

ventilation equipment, irradiation equipment, day length control equipment, mist-spray equipment, irrigation equipment, equipment for changing and controlling the composition or humidity of the atmosphere, automatic glasshouse shading equipment, power-operated equipment for washing down glasshouses, soil and bench warming equipment, equipment for the conditioning of bulbs and other planting material, equipment for measuring soil conductivity, instruments for the measurement, recording and control of environment, water meters, dilutors and instruments for the measurement and control of plant nutrients used in conjunction with irrigation systems.

- (ii) Irrigation equipment for use in the open or in structures other than permanent buildings, including:—
equipment for the automatic or semi-automatic control of irrigation, water meters, dilutors and instruments for the measurement and control of plant nutrients used in conjunction with irrigation systems.
- (iii) Plant and equipment for the handling, preparation or treatment (other than the sterilisation by heat or cultivation) of soil, compost or other media for growing horticultural produce.
- (iv) Plant and equipment for the control (other than by cultivation) of pests and diseases of, and weeds among, horticultural produce, including:—
plant pot and box cleansing and sterilising machines, thermostatically-controlled warm-water baths, thermostatically-controlled cabinets, dilutors and instruments for the measurement and control of substances for the control of pests and diseases used in conjunction with irrigation systems, water meters, power-operated equipment for horticultural spraying and dusting, and power-operated herbicide sprayers.
- (v) Plant and equipment for the movement of horticultural produce, or for the movement of materials and equipment used in connection with the growing of horticultural produce, being:—
conveyors and elevators, fork-lift trucks, fork lifts and pallet and bin transporters for use with tractors, power-operated self-loading pallet trucks, manually-propelled power-operated stackers, self-actuating lifters, power-operated winches for mobile glasshouses and purpose built self-loading produce transporters.
- (vi) Miscellaneous plant and equipment, being:—
equipment for planting, potting or cleaning growing plants and bulbs, precision seed-drills, polythene and straw laying machines, power-operated pruners, pruning pulverisers, heading machines and equipment for the protection of horticultural crops against frost.
- (vii) Equipment and containers specifically designed for the growing of horticultural produce, being:—
beds, troughs, racks, benches and like equipment of a durable nature.

17. Supply of new equipment for the harvesting of horticultural produce (other than peas and potatoes) including mobile orchard lifts, mobile fruit harvesters and mobile harvesting and packing platforms for use in orchards.

18. Supply and installation, or reconstruction, alteration or other improvement, of systems for the production and distribution of heat in buildings (including parts of buildings) other than dwelling houses, or in permanently sited frames, or in durable structures clad with film plastic.

19. Supply and installation of plant and equipment for the sterilisation of soil by heat.

PLANT AND EQUIPMENT FOR STORAGE AND PREPARATION FOR MARKET

20. Supply and installation of the following items of new plant and equipment for the storage of horticultural produce or of containers for such produce or for the preparation for market of horticultural produce:—

- (i) Plant and equipment for control of temperature or atmosphere, being:—
scrubbers, coolers, circulation fans, extractor fans, humidifiers, compressors, condensers (for cooling gas in stores), coolant tanks and pumps, pipework installations and instruments for the measurement, recording and control of temperature or atmosphere.
- (ii) Plant and equipment for movement of produce or containers, being:—
loading and feed tables, automatic feed units, conveyors, elevators, fork-lift trucks, fork lifts and pallet transporters for use with tractors, power-operated self-loading pallet trucks, manually-propelled power-

operated stackers, self-actuating lifters and bulk bins for use in temperature-controlled stores.

- (iii) Plant and equipment for size, weight and quality grading, being:—
sorting tables, return flow tables, grading machines, cull eliminators, automatic loaders, trays, mercury switches and other ancillary equipment or separate components for use with plant and equipment in this group.
- (iv) Plant and equipment for preparation for market, being:—
cleaners, brushers and polishers (for fruit or vegetables), machinery for washing bulbs, horticultural plants, fruit or vegetables (including soak tanks), driers (contact and air), trough installations (for flowers), dipping tank installations and sprinkler installations, hydro-cooling installations, equipment for cleaning, sorting and testing of seeds, equipment for the hot or cold treatment of bulbs and defoliating machines.
- (v) Plant and equipment for packing, being:—
packing tables, packing benches, packing stands, automatic or semi-automatic fruit packers or box fillers, power-operated equipment for stapling or stitching of containers, power-operated equipment for tying or strapping of produce and containers, shrub or tree bundlers and bulb and seed counting machines.
- (vi) Plant and equipment for pre-packaging.
- (vii) Miscellaneous plant and equipment, being:—
heating equipment (other than portable heaters), settling tanks and silt traps, and, where essential to and installed as part of a system for preparation for market, chlorinating equipment, circulating pumps and filters, racks and benches, compressors, electric motors and internal combustion engines and weighing machines.

GENERAL PROVISION

21. Any operation incidental to the provision of any of the facilities specified in this Schedule, and necessary or proper in carrying out the work or for securing the full benefit of the said facilities.

SCHEDULE 2

Paragraph 7

AMOUNTS OF GRANT

1. Subject to the provisions of this scheme, the amount of any grant payable under the scheme towards approved expenditure in respect of any work or facility of a kind specified in—

- (a) any of paragraphs 1 to 15 of Schedule 1 shall be 25 per cent. of that expenditure;
- (b) any of paragraphs 16 to 20 of Schedule 1 shall be 15 per cent. of that expenditure;
- (c) paragraph 21 of Schedule 1 shall be at the rate of grant appropriate to the facility to which the operation applies.

2. 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.

EXPLANATORY NOTE

(This Note is not part of the Scheme.)

This Scheme, which applies throughout the United Kingdom, is made under section 29 of the Agriculture Act 1970, and authorises the payment of grant towards prescribed capital expenditure for the purposes of, or in connection with, a horticultural production business as defined in the Scheme. The rate of grant is 25 per cent. of approved expenditure where it relates to land or buildings and the provision of services to buildings, and 15 per cent. where it relates to plant and equipment. Provision is made for the use of standard costs.

The Scheme lays down the conditions of eligibility, including a minimum acreage requirement over a period of two years and a sufficient livelihood test. Provision is made for the approval of proposals by the appropriate Minister, who can impose conditions. Proposals must be properly carried out without avoidable delay, and any conditions must be observed.

The Scheme restricts the total amount of expenditure which may qualify for grant, taking into account similar grant-aided expenditure during the preceding two years, and makes provision for the apportionment of expenditure which is incurred partly for the purposes of the business, and partly for other purposes. It also provides that grant which would otherwise have been payable may be reduced or withheld altogether if financial assistance for the facility or work is available from another source, or if the provision of that facility or the carrying out of that work would frustrate other work in respect of which expenditure has been grant-aided. The Scheme comes into operation on 1st January 1974 and the last date for applications is 31st December 1980.

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