

## 1976 No. 2126

## AGRICULTURE

## AGRICULTURAL GRANTS, GOODS AND SERVICES

**The Farm Structure (Payments to Outgoers) Scheme 1976***Laid before Parliament in draft*

<i>Made - - - -</i>	<i>9th December 1976</i>
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<i>Coming into Operation</i>	
<i>Paragraph 17 - -</i>	<i>10th December 1976</i>

<i>Remainder - - -</i>	<i>16th December 1976</i>
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The Minister of Agriculture, Fisheries and Food, in relation to England and Northern Ireland, and the Secretary of State, in relation to Scotland, in exercise of the powers conferred on them by sections 27(1)(d), 27(5), 35 and 40(5) of the Agriculture Act 1967(a) (as those sections have effect by virtue of section 32(3) and (5) of the Agriculture Act 1970(b), sections 9(3) and 10(2) of the Agriculture (Miscellaneous Provisions) Act 1972(c), regulation 4 of the Agriculture Act 1967 (Amendment) Regulations 1973(d) and regulation 2 of the Agriculture Act 1967 (Amendment) Regulations 1976(e)), and the Minister of Agriculture, Fisheries and Food and the Secretary of State for Wales acting jointly in relation to Wales in exercise of the powers conferred by the said sections 27 and 35 and now vested in them jointly(f), 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. This scheme, which may be cited as the Farm Structure (Payments to Outgoers) Scheme 1976, shall apply throughout the United Kingdom and shall come into operation on 16th December 1976, save that paragraph 17 hereof shall come into operation on 10th December 1976.

*Interpretation*

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

“the Act” means the Agriculture Act 1967;

“the appropriate Minister” means—

(a) in relation to England or Northern Ireland, and in relation to Wales for the purpose of 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;

(a) 1967 c. 22.

(b) 1970 c. 40.

(c) 1972 c. 62.

(d) S.I. 1973/1402 (1973 II, p. 4287).

(e) S.I. 1976/1771, (1976 III, p. 4694).

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

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

“croft” and “crofter” have the meanings assigned to them by the Crofters (Scotland) Acts 1955 and 1961(a);

“full-time employment” in relation to an individual occupying an agricultural 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 that district is followed and the greater part of the feeding stuffs required by any livestock kept on the unit is grown there;

“holding”, “landholder” and “statutory small tenant” have the meanings assigned to them by the Small Landholders (Scotland) Acts 1886 to 1931(b);

“occupation” in relation to agricultural land means, subject to the provisions of paragraphs 4(3), 7 and 11, occupation as owner or tenant, and “occupy” shall be construed accordingly;

“owner” in relation to—

(a) any land other than in Scotland, means a person, other than a mortgagee not in possession, who is entitled to receive the rack rent of the land, or, where the land is not let at a rack rent, would be so entitled if it were so let, but does not include an executor or administrator of an owner;

(b) any land in Scotland, means a person who for the time being is entitled to receive, or would, if the land were let, be entitled to receive, the rent of the land, but does not include the executor or administrator of an owner;

“tenant”—

(a) in England and Wales, means an individual who is the holder of land under a contract of tenancy as defined in section 94(1) of the Agricultural Holdings Act 1948(c) or under an agreement which has effect by virtue of section 2(1) of that Act as an agreement for the letting of land for a tenancy from year to year or which would have so had effect if it had been made after 1st March 1948, but does not include the executor or administrator of a tenant; and

(b) in Scotland, means an individual who is the holder of land under a lease as defined in section 93(1) of the Agricultural Holdings (Scotland) Act 1949(d) or under a lease which has effect by virtue of section 2(1) of that Act as a lease from year to year or would have so had effect if it had been made after 1st November 1948, and includes a crofter, landholder or statutory small tenant but does not include the executor or administrator of a tenant nor the sub-tenant of a crofter; and

(c) in Northern Ireland, means an individual who by virtue of a contract of tenancy holds land for a life or lives or for a term of years or from year to year but does not include an individual whose rights in the land arise by virtue of a conacre agreement nor the executor or administrator of a tenant;

“uncommercial unit” means an agricultural unit which in the opinion of the appropriate Minister is not capable, when farmed under reasonably skilled management, of providing full-time employment for an individual

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

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

(c) 1948 c. 63.

(d) 1949 c. 75.

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), and where the appropriate Minister so directs an uncommercial unit may be treated as referring to the relevant agricultural unit exclusive of any one dwellinghouse, of the unit or of an area sufficient to provide a site for one dwellinghouse and, if the Minister so directs, exclusive of any small portion of land to be occupied with that dwellinghouse.

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

(3) Except in so far as 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.

(4) Any reference in this scheme to a numbered paragraph shall be construed as a reference to the paragraph in this scheme bearing that number.

#### *Outgoers grant*

3.—(1) Subject to the provisions of this scheme and of section 27 of the Act a grant may be made pursuant to section 27(1)(d) of the Act, to or for the benefit of an individual who relinquishes occupation of an uncommercial unit of agricultural land, or of any part or parts of such a unit, in accordance with proposals approved by the appropriate Minister in writing, and who on the date on which the relinquishment is completed is not less than 55 but less than 65 years of age, and such grant may be made subject to such conditions as the appropriate Minister may specify.

(2) No grant shall be payable under section 27 of the Act unless occupation of an uncommercial unit of agricultural land, or occupation of any part or parts of such a unit, is relinquished in one or more of the following circumstances—

- (a) where the relinquishment is to a person whose development plan has been approved in accordance with the Farm and Horticulture Development Regulations 1973(b) as amended (c); or
- (b) where the relinquishment is for the purpose of facilitating afforestation; or
- (c) where the relinquishment is for any purpose involving public use.

(3) No grant shall be payable under section 27 of the Act unless the uncommercial unit of which occupation is relinquished, or such part or parts of that unit as are relinquished, is or are in the opinion of the appropriate Minister capable, when farmed under reasonably skilled management, and in the case of such part or parts as aforesaid when farmed in conjunction with any dwellinghouse or other building included in the unit, of providing for an individual occupier employment for at least 100 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.

(4) Subject to the provisions of paragraphs 5(1) and 7(1), no grant of an amount calculated in accordance with paragraph 13(1) and (2) shall be payable unless in the opinion of the appropriate Minister the individual applying for grant has during a period of not less than 5 consecutive years ending with the day of submission of his proposals for grant—

- (a) farmed agricultural land which is capable of providing for an individual

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(a) 1889 c. 63. (b) S.I. 1973/2205 (1973 III, p. 7446). (c) S.I. 1976/743 (1976 II, p.1961).

occupying it employment for at least 100 days in aggregate in a year on average in the circumstances described in sub-paragraph (2) above, or

- (b) been employed in agriculture for not less than 100 days in aggregate in a year on average.

(5) No grant shall be payable under section 27 of the Act unless the proposals referred to in sub-paragraph (1) of this paragraph are submitted to the appropriate Minister before the relinquishment of occupation and within 7 years from the commencement of this scheme.

(6) Each submission of proposals for approval shall be made in such form as the appropriate Minister may require and the applicant for grant shall furnish all such particulars and information relating to the proposals as that Minister may reasonably require.

*Eligible occupation*

4.—(1) Subject to the provisions of this and the next two succeeding paragraphs a grant under section 27 of the Act shall not be payable unless the individual applying for grant has been entitled to occupy the uncommercial unit, or such part of that unit as is relinquished by him, or the land of which that unit or such part of that unit consists, throughout the period beginning with 1st January 1976 and ending with the day of the submission of his proposals for such a grant in respect of the relinquishment of occupation of that unit or, as the case may be, of such part thereof.

(2) Grant shall not be payable if at any time during the period of 5 years ending with the day of the submission of his proposals for grant—

- (a) the individual has been entitled to occupy any unit of land sufficiently large not to constitute an uncommercial unit, or  
(b) the land comprising the uncommercial unit, or part thereof, of which occupation is relinquished formed part of a larger uncommercial unit:

Provided that grant may be payable if the appropriate Minister is satisfied that by the time of submission by the individual of his proposals for grant—

- (i) the larger unit of land to which sub-paragraph (a) of this paragraph applies has been reduced in size or the individual has relinquished his occupation of that unit, in either case otherwise than in consequence of any act or default of the individual, or  
(ii) the larger uncommercial unit to which sub-paragraph (b) of this paragraph applies has been reduced in size by not more than 15% or due to circumstances which have effectively prevented the individual from continuing to farm that unit.

(3) For the purposes of paragraphs 4(1), 5 and 6, an individual may be taken to have been entitled to occupy land even if he has granted to another person in respect of that land a licence or tenancy of a kind referred to in paragraph 7.

5.—(1) The provisions of paragraphs 3(4) and 4(1) shall not apply where the appropriate Minister is satisfied—

- (a) that the individual has become entitled to occupy the whole or a major part of the uncommercial unit or the whole or a major part of that part of the uncommercial unit of which occupation is being relinquished by that individual, or, as the case may be, the whole or a major part of the land of which that unit or the part thereof consists, by way of a transfer from a member of his family or by way of devolution on death and that since 1st January 1976 any other transmission of the

right to occupy the whole or part of that unit or land has been by way of such transfer or devolution and through no other cause; and

- (b) that the individual has during a period of not less than 2 consecutive years ending with the day of submission of his proposals for grant farmed, or been employed in agriculture on, that unit or land, or the part of that unit or land of which occupation is being relinquished, in connection with such crops and livestock as would in the opinion of the appropriate Minister occupy the time of one man for at least 100 days in aggregate in each of those years 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 land is grown there, or
- (c) where the individual is a surviving spouse, that he or she has throughout the said period either resided on the said unit or land, or the part of that unit or land of which occupation is being relinquished by that individual, as spouse of the occupier thereof or been entitled to occupy the whole or a major part thereof.

(2) In this paragraph "family" means the individual's spouse, his brother, sister, uncle, aunt (the two last mentioned relations being respectively a brother and sister of either parent of the individual) and cousin (being a child of an uncle or aunt of the individual), the spouse and any child of his brother or sister, the brother or sister of the individual's spouse, any lineal ancestor of the individual or the spouse and any lineal descendant of the individual, and in deducing any such relationship an adopted child shall be treated as a child of the adopter, any relationship of the half blood shall be treated as a relationship of the whole blood and any illegitimate relationship shall be treated as legitimate.

6.—(1) Notwithstanding the provisions of paragraph 4(1), grant under section 27 of the Act may be paid where the uncommercial unit of which occupation is relinquished includes—

- (a) land which on 1st January 1976 was an agricultural unit smaller in extent than the said uncommercial unit; and
- (b) other land which the appropriate Minister is satisfied the individual has been entitled to occupy for a period of not less than 2 consecutive years ending with the day on which occupation of the said uncommercial unit is relinquished.

(2) For the purposes of this paragraph, the other provisions of this scheme shall apply as if references therein to the uncommercial unit of which occupation is relinquished were references to so much of that uncommercial unit as consists of land such as is described in sub-paragraph (1)(a) and (b) above:

Provided that no grant shall be payable under section 27 of the Act in accordance with this paragraph unless the appropriate Minister is satisfied that—

- (i) throughout the period beginning with 1st January 1976 and ending with the day of the submission of his proposals for grant the individual has been entitled to occupy, or
- (ii) during such period no change of occupation other than by way of transfer or devolution of the kind referred to in paragraph 5(1)(a) has taken place of,

so much of the aforesaid uncommercial unit as, on the day of the submission of the individual's proposals for grant, would have satisfied the requirements specified in paragraph 3(3) in relation to an uncommercial unit.

7.—(1) For the purposes of this scheme an individual may be treated as the occupier of any land in respect of which he has granted, or agreed to grant, to another person a licence or tenancy of a kind not making that other person a tenant as defined in the Agricultural Holdings Act 1948 (or, in Scotland, the Agricultural Holdings (Scotland) Act 1949) or, in Northern Ireland, a tenant who holds a contract of tenancy for a life or lives or for a term of years if it appears to the appropriate Minister that during any one year within the period of 5 years ending with the day of submission of his proposals for grant he farmed agricultural land, or was employed in agriculture, in circumstances which satisfy the requirements of sub-paragraph (a) or (b) of paragraph 3(4) respectively.

(2) For the purposes of this scheme, such an individual as aforesaid may be treated—

- (a) as relinquishing his occupation of the land in respect of which he has granted or agreed to grant a licence or tenancy of a kind mentioned in sub-paragraph (1) above if he relinquishes his remaining estate or interest in the land;
- (b) as relinquishing his occupation of, or of part of, an uncommercial unit of agricultural land if the land was, or was part of, such a unit immediately before he first granted or agreed to grant such a licence or tenancy as aforesaid.

*Relinquishment of occupation*

8. No grant shall be payable under section 27 of the Act in respect of the relinquishment of occupation of a part or parts only of an uncommercial unit unless the occupation of the remainder of that unit is also relinquished in accordance with proposals approved by the appropriate Minister.

9. No grant shall be payable under paragraph (d) of section 27(1) of the Act in so far as that paragraph relates to relinquishment of occupation of, or of part of, an uncommercial unit of agricultural land for the purpose of facilitating afforestation, unless the appropriate Minister is satisfied that—

- (a) the land of which occupation is being relinquished is more suitable for afforestation than for agricultural use, and can be released for afforestation without detriment to the full and efficient use for agriculture of other land in the vicinity thereof, and
- (b) that land will be made available for afforestation—
  - (i) by the Forestry Commissioners or the Department of Agriculture for Northern Ireland, or
  - (ii) by some other person or body of persons in accordance with proposals for planting approved for the purposes of this scheme by the appropriate Minister.

10. No grant shall be payable under paragraph (d) of section 27(1) of the Act in so far as that paragraph relates to the relinquishment of occupation of, or of part of, an uncommercial unit of agricultural land for any purpose involving public use unless—

- (a) for the purposes of this scheme the appropriate Minister approves the withdrawal from agricultural use of the land of which occupation is being relinquished for a public use, and
- (b) it appears to the appropriate Minister that the transactions whereby the land is made, or to be made, available for a purpose involving

public use do not include the acquisition of an interest in that land by an authority possessing compulsory purchase powers (whether by agreement or by the exercise of those powers) and that an applicant for grant under section 27 of the Act will not be given, otherwise than under that section, assistance for the purpose for which occupation of the land is being relinquished.

11.—(1) No grant shall be payable under section 27(1)(d) of the Act in so far as that paragraph relates to the relinquishment of occupation of, or of any part of, an uncommercial unit of agricultural land to a person whose development plan has been approved in accordance with the Farm and Horticulture Development Regulations 1973 as amended, unless immediately after the relinquishment to a person whose development plan has been approved as aforesaid—

- (a) the land within the uncommercial unit of which occupation is relinquished is comprised within the agricultural business, or within any one or more agricultural businesses, to which that development plan relates, and
- (b) the land within the uncommercial unit of which occupation is relinquished, and any land to which that development plan relates which is then in occupation of the person whose development plan has been approved, is either—
  - (i) occupied by the same owner, and if also occupied by a tenant, by the same tenant, or
  - (ii) if not occupied by the same owner, is occupied as a tenant by a person who occupies any part of those lands not owned by him as a tenant for a term expiring not less than 12 years from the completion of the relinquishment.

(2) For the purposes of this scheme an individual may be treated as having relinquished occupation of, or part of, an uncommercial unit of agricultural land to a person whose development plan has been approved as aforesaid where he has granted or agreed to grant a tenancy of the land comprising that unit, or as the case may be, of the said part thereof, to a person whose development plan has been approved in accordance with the Farm and Horticulture Development Regulations 1973 as amended, and who is a tenant of that land for a term of not less than 12 years from the completion of the relinquishment.

#### *Income test*

12.—(1) Subject to the provisions of this paragraph, grant of an amount calculated in accordance with paragraph 13(1) and (2) shall not be payable under section 27 of the Act unless it appears to the appropriate Minister that during the period comprising the 5 years immediately preceding the day of submission of the proposals for grant the earned income of each individual applying for grant derived from the trade or business of, or employment in, agriculture equalled or exceeded that individual's earned income from any source other than agriculture.

(2) Where the individual applying for grant is a surviving spouse on whom the right to occupy the uncommercial unit has devolved on the death of his or her late spouse within the period comprising the 5 years immediately preceding the day on which the proposal for grant is submitted—

- (a) sub-paragraph (1) above shall have effect as if for references to the earned income of the individual applying for grant during the said period comprising 5 years there were substituted references to the

aggregate of the earned income of that individual during so many of those years as followed the death of the late spouse and the earned income of the late spouse during so many of those years as preceded his or her death;

- (b) where during any of the said 5 years the individual applying for grant, although entitled beneficially to all or part of the late spouse's estate arising on the death of the late spouse, has not had the same vested in him or her on or before the commencement of that year there shall be taken into account in arriving at the said individual's earned income for such year for the purposes of sub-paragraph (1) above such an amount as the appropriate Minister is satisfied, after consulting the said individual, represents a fair estimate of income to be derived from the beneficial interest.

(3) In this paragraph—

“earned income” means, in relation to any individual—

- (a) any income which is immediately derived by the individual from the carrying on or exercise by him of his trade, profession or vocation, either as an individual or, in the case of a partnership, as a partner personally acting therein, and
- (b) any income arising in respect of any remuneration from any office or employment held by the individual, and
- (c) any income from any property which is attached to or forms part of the emoluments of any office or employment held by the individual,

but does not include any income of the individual's spouse;

“year” means a year commencing on 6th April and ending on the following 5th April.

*Amount of grant*

13.—(1) Subject to the provisions of this paragraph and of paragraphs 6 and 14, the amount of grant payable under section 27 of the Act in respect of each uncommercial unit of which occupation is relinquished, shall be either—

- (a) a lump sum payment of £1,000 plus a sum calculated at the rate of £50 per hectare of eligible land, or
- (b) an annuity commencing from the date on which the relinquishment is completed, and terminating on the date when the individual becomes 65 years of age, consisting of an annual sum of the aggregate of £250 and a sum calculated at the rate of £5 per hectare of eligible land,

as the individual may elect in writing before the appropriate Minister approves the proposals for grant.

(2) No more than one lump sum of £1,000 as mentioned in sub-paragraph (1)(a) of this paragraph, or one fixed sum of £250 annually as part of an annuity as mentioned in sub-paragraph (1)(b) of this paragraph, shall be payable in connection with the relinquishment of occupation of any one uncommercial unit.

(3) If it appears to the appropriate Minister that an individual applying for grant does not satisfy the requirements as to the age limits set out in paragraph 3(1) or farming or employment in agriculture set out in paragraph 3(4) or the income test set out in paragraph 12, the amount of grant payable under section 27 of the Act in respect of each uncommercial unit of which occupation is relinquished shall, subject to the following provisions of this paragraph and the provisions of paragraphs 6 and 14, be an amount calculated at the rate of £25 per hectare of eligible land.



(4) For the purposes of calculating the amount of the grant there shall be taken into account as eligible land, having regard to the land being relinquished as on the day on which the proposals for grant are submitted, or in the case of grant payable in accordance with paragraph 6 the day on which occupation of the uncommercial unit is relinquished, and disregarding any part of that land or unit which on whichever of the aforesaid days the case may require—

(a) is or has been subject to the provisions of Schedule 3 to the Act in accordance with section 26(7) thereof or is or has been subject to any condition or conditions imposed by virtue of section 10(4) of the Agriculture (Miscellaneous Provisions) Act 1972 and has previously been taken into account for the purposes of a grant paid under section 27(1)(a) of the Act, or

(b) has previously been taken into account for the purposes of a grant paid under section 27(1)(b) or (d) of the Act,

any of the following—

(i) the area of any land within the uncommercial unit the occupation of which is being relinquished which the appropriate Minister is satisfied is used, or prepared or cultivated for use, for the purpose of growing crops or grass, other than any area of rough grazing land;

(ii) one sixth of the area of any land within that unit which appears to the appropriate Minister to be rough grazing land or to be woodland the use of which is ancillary to the farming of the unit;

(iii) the area of any land within that unit not coming within sub-paragraph (4)(i) above, which appears to the appropriate Minister to be necessary to the full and efficient farming of the unit;

(iv) where a right to graze animals is enjoyed with that unit, not being such a unit as is mentioned in sub-paragraph (4)(v) of this paragraph, such area as may be determined by the appropriate Minister, having regard to the benefit, if any, to the farming of that unit attributable to the enjoyment of that right;

(v) where an agricultural unit in Scotland consists of or includes a croft or holding and there is deemed to form part of that croft or holding any right in pasture held by the tenant or landholder whether alone or in common with others, such area as may be determined by the appropriate Minister having regard to the extent of the right and of the land over which it is exercisable;

so however that only an area in excess of an aggregate of 4 hectares and not exceeding an aggregate of 44 hectares shall be taken into account under the preceding provisions of this sub-paragraph. In calculating the aggregate of the land so taken into account, the area shall be rounded off to the nearest half hectare.

(5) Where the relinquishment of occupation of any part of an uncommercial unit is effected otherwise than—

(a) for the purpose of facilitating afforestation or for any purpose involving public use, or

(b) to a person whose development plan has been approved in accordance with the Farm and Horticulture Development Regulations 1973 as amended,

the land of which that part of the unit consists shall not be taken into account as eligible land for the purposes of calculating the amount of any grant under section 27 of the Act payable in respect of the relinquishment of occupation of that unit or of any part thereof.

**14.—(1)** In the case of an uncommercial unit the whole of which is occupied by more than one individual or of which any part is in separate occupation (whether by one or more individuals) there may be payable to each individual eligible for grant in respect of his relinquishment of occupation such proportion of an amount approximately equivalent to the grant which might have been payable to a single individual had the unit been in his sole occupation as appears to the appropriate Minister to be appropriate having regard to any agreement between all the individuals for the time being entitled to occupy the said unit, or, in the case of grant being paid in respect of the relinquishment of part only of the said unit, to any agreement between all the individuals for the time being entitled to occupy the said part, of which the appropriate Minister has been notified and having regard to the extent of each individual's interest as regards his occupation of the unit, or part thereof considered in relation to such interest of the other individuals entitled to occupy that unit or any part thereof.

(2) Save where the amount of the grant falls to be calculated in accordance with paragraph 13(3), the form of a payment of grant to each individual under the last preceding sub-paragraph, though not the amount thereof, shall be in accordance with the provisions of paragraph 13(1).

*Payment of grant after death of applicant*

**15.** After the death of a person in receipt of a grant by way of annuity, a grant under section 27 of the Act by way of an annuity equivalent in amount to half of the first mentioned annuity may be paid to a surviving spouse who was living with that person when proposals for the first mentioned grant were submitted subject to compliance with such conditions as the appropriate Minister may specify when making the last mentioned grant. The last mentioned grant shall cease to be payable when the deceased spouse would have become 65 years of age, on the remarriage of the surviving spouse or on the death of the surviving spouse, whichever shall first occur.

**16.** In a case where a person who has submitted an application for grant under section 27 of the Act within 7 years from the commencement of this scheme relinquishes, or becomes under an obligation to relinquish, occupation of the uncommercial unit of agricultural land in question or of the part thereof in respect of which the application is submitted and subsequently dies before the application has been dealt with, the application may be proceeded with after the death, and if the appropriate Minister approves the application there may be paid subject to such conditions as the appropriate Minister may specify—

- (a) where the deceased exercised the election in writing for an annuity as provided for in paragraph 13(1)—
  - (i) in respect of any period after the relinquishment of occupation and before the death, for the benefit of the deceased's estate a grant under section 27 of the Act by way of an annuity equivalent in amount to the annuity which would have been payable to the deceased; and
  - (ii) in respect of any period falling after the death, to any person who was, both at the date of death and at the time when the application was made, the spouse living with the deceased, a grant under section 27 of the Act by way of an annuity which shall cease to be payable when the deceased would have become 65 years of age or on the re-marriage of the surviving spouse or on the death of the surviving spouse (whichever shall first occur), and which shall be equivalent in amount to half of the annuity which would have been payable to the deceased; or

- (b) where the deceased exercised the election in writing for a lump sum as provided for in paragraph 13(1), or did not exercise the said election before the date of death, either for an annuity or for a lump sum, for the benefit of the deceased's estate a grant under the said section 27 by way of a lump sum payment equivalent in amount to the grant which would have been payable to the deceased.

For the avoidance of doubt, for the purposes of this paragraph references in other provisions of this scheme to the individual are references to the individual who submitted the application for grant under section 27 of the Act.

*Variation of the Farm Structure (Payments to Outgoers) Scheme 1973*

17. The Farm Structure (Payments to Outgoers) Scheme 1973(a) shall be varied by substituting in paragraph 3(1) thereof for the words "within seven years from the commencement of this scheme" the words "before 16th December 1976".

In Witness whereof the Official Seal of the Minister of Agriculture, Fisheries and Food is hereunto affixed on 3rd December 1976.

(L.S.)

*John Silkin,*  
Minister of Agriculture, Fisheries and Food.

6th December 1976.

*Bruce Millan,*  
Secretary of State for Scotland.

7th December 1976.

*John Morris,*  
Secretary of State for Wales.

We approve

9th December 1976.

*David Stoddart,*  
*T. E. Graham,*  
Two of the Lords Commissioners of  
Her Majesty's Treasury.

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(a) S.I. 1973/1403 (1973 II, p. 4290).

## EXPLANATORY NOTE

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

This scheme, which is made under section 27(1)(d) and (5) of the Agriculture Act 1967 as amended, applies to the whole of the United Kingdom and supersedes the Farm Structure (Payments to Outgoers) Scheme 1973.

This scheme re-enacts many of the provisions of the scheme superseded and the principal changes are—

- (a) provision for the payment of grant to an outgoer who relinquishes land to a person who has had a development plan approved under the Farm and Horticulture Development Regulations, as amended, or for the purposes of afforestation or public use;
- (b) only outgoers between 55 and 65 years of age at the date of the relinquishment of the land qualify for the standard grant by way of lump sum or annuity and grant by way of annuity to an outgoer or to a surviving spouse ceases when the outgoer reaches or would have reached the age of 65;
- (c) the date of the commencement of eligible occupation is 1st January 1976;
- (d) a revision of the income test;
- (e) for the purposes of calculating the amount of grant the area of eligible land is expressed in metric instead of imperial units.

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