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STATUTORY INSTRUMENTS

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**2021 No. 405**

**The Agriculture (Financial Assistance) Regulations 2021**

**Part 7**

**Breach of conditions, regulations, suspected offences and investigations**

**Breach of regulations**

**20.** This regulation applies where—

- (a) there has been a change of circumstances that has not been reported in accordance with regulation 11; or
- (b) an agreement holder, or any employee or agent of that person, has—
  - (i) at any time, given false or misleading information to the Secretary of State;
  - (ii) failed to provide information or evidence in accordance with regulation 9;
  - (iii) failed to provide copies of records in accordance with regulation 10;
  - (iv) prevented an authorised person from carrying out a virtual or physical inspection of land or premises which was proposed to take place under regulation 15, 16 or 17;
  - (v) prevented an authorised person from exercising any powers of inspection under regulation 18;
  - (vi) refused to provide assistance requested under regulation 19(2); or
  - (vii) otherwise obstructed an inspection under regulations 15 to 19.

**Investigating breaches and suspected offences**

**21.—**(1) Where the Secretary of State reasonably suspects that regulation 20 applies or that the agreement holder is in breach of any conditions subject to which financial assistance is given, the Secretary of State must carry out an investigation proportionate to the type of breach suspected.

(2) Where the Secretary of State reasonably suspects that the agreement holder has committed an offence under any other legislation, in so far as it is relevant to an application for, or receipt of, financial assistance, the Secretary of State may—

- (a) carry out an investigation;
  - (b) obtain information from any relevant third parties; and
  - (c) provide information to any person responsible for examining, investigating or prosecuting such an offence.
- (3) When carrying out an investigation, the Secretary of State may—
- (a) request information or evidence from the agreement holder;
  - (b) carry out an inspection under regulation 15, 16 or 17; and
  - (c) contact relevant third parties to verify information.

(4) The agreement holder must provide such assistance, as may be required, during any investigation carried out by the Secretary of State under paragraph (1) or (2).

(5) Where an investigation is carried out under paragraph (1) or (2), the Secretary of State may withhold financial assistance until the investigation is concluded and, where applicable, determinations are made under regulation 23(1) and (2).

### **Concluding an investigation**

**22.**—(1) When an investigation under regulation 21(1) has been concluded, the Secretary of State must inform the agreement holder of the outcome of that investigation and permit that person to make written representations in such manner and at such times as the Secretary of State may specify.

(2) When an investigation under regulation 21(2) has been concluded, the Secretary of State may—

- (a) inform the agreement holder of the outcome of that investigation and permit that person to make written representations in such manner and at such times as the Secretary of State may specify; or
- (b) provide information to any person responsible for examining, investigating or prosecuting an offence to which the investigation related.

(3) The Secretary of State must consider any written representations received from the agreement holder under paragraph (1) or (2) before making a determination under regulation 23.

(4) Where an agreement holder has not been notified of an investigation under regulation 21(1) or 21(2) and, following the investigation, the Secretary of State has concluded that no further action is required, the obligations in paragraphs (1) and (2) do not apply.