SCOTTISH STATUTORY INSTRUMENTS

2005 No. 219

AGRICULTURE

The Farm Business Development (Scotland) Variation Scheme 2005

Approved by the Scottish Parliament

Made - - - -	*19th April 2005*
Laid before the Scottish Parliament	*20th April 2005*
Coming into force - -	*1st June 2005*

The Scottish Ministers, in exercise of the powers conferred by section 29(1) and (2) of the Agriculture Act 1970(**a**) and of all other powers enabling them in that behalf, hereby make the following Scheme:

Citation and commencement

1. This Scheme may be cited as the Farm Business Development (Scotland) Variation Scheme 2005 and shall come into force on 1st June 2005.

Variation of the Farm Business Development (Scotland) Scheme 2001

2.—(1) The Farm Business Development (Scotland) Scheme 2001(**b**) is varied in accordance with this paragraph.

(2) In paragraph 3 (objectives)–

(a) in sub-paragraph (b) omit "or"; and

(b) after sub-paragraph (c) insert–

"; or

(d) relate to re-structuring of an eligible business or re-orientation of its agricultural production.".

(3) After paragraph 3 insert–

"**Business Plans**

3A.—(1) The Scottish Ministers may require that an eligible person, who intends to make an application under paragraph 4 in relation to measures in Part III of the Schedule to this

(**a**) 1970 c.40. Section 29 was amended by section 10 of the Agriculture (Miscellaneous Provisions) Act 1972 (c.62), section 15 of the Agriculture (Miscellaneous Provisions) Act 1976 (c.55) and Schedule 1 to the Statute Law (Repeals) Act 1986 (c.12). Section 28 contains a definition of "the appropriate authority" and "the appropriate Minister". The functions of the Secretary of State were transferred to the Scottish Ministers by virtue of section 53 of the Scotland Act 1998 (c.46). The requirement to obtain Treasury approval was removed by section 55 of that Act.

(**b**) S.S.I. 2001/259; amended by S.S.I. 2004/236.

Scheme, prepares a business plan in accordance with the following sub-paragraphs of this paragraph.

(2) The business plan shall be in writing in such form as the Scottish Ministers reasonably may require and shall include statements of–

(a) the assets and liabilities of the eligible business;

(b) the current viability of the eligible business and proposals for enhancing its current viability; and

(c) the skills and training requirements for the eligible business.

(3) The Scottish Ministers may approve a business plan submitted in accordance with this paragraph.

(4) The Scottish Ministers may pay to an eligible person financial assistance towards the costs of an approved business plan–

(a) if the business plan has been prepared by an independent adviser, at the rate of 50% subject to a maximum payment of £400; or

(b) in any other case, at a fixed amount of £100.".

(4) In paragraph 4 (applications) at the end of sub-paragraph (2) insert–

"(g) a business plan approved under paragraph 3A, if such a plan was required by the Scottish Ministers under paragraph 3A.".

(5) In paragraph 5 (determination of applications) in sub-paragraph (3)(d) for "Part I" substitute "Parts I and III".

(6) In paragraph 6 (financial assistance)–

(a) in sub-paragraph (2) for "Part I" substitute "Parts I and III";

(b) in sub-paragraph (4) for "£25,000" substitute "£30,000"; and

(c) in sub-paragraph (6)(b) for "£30,000" substitute "£35,000".

(7) At the end of the Schedule (farm business development scheme eligible measures) insert–

"PART III

MEASURES RELATED TO RE-STRUCTURING OF AN ELIGIBLE BUSINESS OR RE-ORIENTATION OF ITS PRODUCTION

1. Provision or upgrading of–

(a) livestock accommodation;

(b) storage sheds;

(c) provision or improvement of systems for storage and disposal of agricultural waste, where a full waste management plan is agreed and implemented;

(d) electricity supplies;

(e) water supplies;

(f) fanks and dippers;

(g) stock handling facilities for cattle;

(h) hard standings for livestock;

(i) information technology to improve agricultural business effectiveness.

2. Training required in order to maximise the benefits of any of the measures listed in paragraph 1 above.".

ROSS FINNIE
A member of the Scottish Executive

Pentland House,
Edinburgh
19th April 2005

EXPLANATORY NOTE

(This note is not part of the Scheme)

This instrument amends the Farm Business Development (Scotland) Scheme 2001 ("the Scheme") which enables the payment of financial assistance for measures which are listed in the Schedule to the Scheme for that part of Scotland outwith the Highlands and Islands area.

Paragraph 2(2) inserts a new objective into paragraph 3 of the Scheme, being measures relating to re-structuring of an eligible business or re-orientation of its agricultural production. Paragraph 2(7) inserts a corresponding set of new measures eligible for financial assistance under the Scheme in the form of new Part III to the Schedule to the Scheme.

New paragraph 3A of the Scheme allows the Scottish Ministers to require an eligible person who wishes to benefit from financial assistance for measures under new Part III of the Schedule to the Scheme to prepare a business plan for the agricultural business for their approval (paragraph 2(3)).

The particular matters in respect of which the Scottish Ministers must satisfy themselves in respect of applications for measures under Part I of the Schedule to the Scheme are applied to applications for measures under new Part III of the Schedule to the Scheme (paragraph 2(5)).

The limits on the amount of financial assistance payable in respect of any measure under Part I of the Scheme are applied to measures under new Part III of the Schedule to the Scheme (paragraph 2(6)(a)).

The total amount of financial assistance payable to one or more eligible person in respect of one eligible business is increased by £5,000 to £25,000 (paragraph 2(6)(b)). In respect of an application for financial assistance in relation to a collaborative venture the total amount of financial assistance payable in respect of each eligible business is increased by £5,000 to £35,000 (paragraph 2(6)(c)).

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