1968 No. 1300 (S.138)

AGRICULTURE

AGRICULTURAL GRANTS, GOODS AND SERVICES

The Small Farm (Business Management) (Scotland) Scheme 1968

Laid before Parliament in draft

Made - - - *7th August* 1968

Coming into Operation 1*st September* 1968

In exercise of the powers conferred on me by sections 1, 4 and 6 of the Agriculture (Small Farmers) Act 1959(a) and of all other powers enabling me in that behalf and with the approval of the Treasury, I hereby make the following scheme, a draft of which has been laid before Parliament and approved by resolution of each House of Parliament:—

Citation, extent and commencement

1. This scheme, which may be cited as the Small Farm (Business Management) (Scotland) Scheme 1968, shall apply to Scotland and shall come into operation on 1st September 1968.

Interpretation

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

"the Act" means the Agriculture (Small Farmers) Act 1959;

"approved" means approved by the Secretary of State;

"basic programme" means any approved programme other than a complete programme;

"complete programme" means such programme, expressly approved as a complete programme, as is in the opinion of the Secretary of State best calculated to increase the efficiency of the business to which it relates, namely a business for which such adequate records have been kept before the day on which the programme is submitted to the Secretary of State for approval as to make it unlikely in his opinion that the programme will subsequently require substantial modification in the light of records kept or disclosed after that day;

(a) 1959 c.12.

"crofter" means a crofter within the meaning of the Crofters (Scotland) Acts 1955 and 1961(a);

"eligible occupier" means a person who is for the time being an eligible occupier within the meaning of the Crofting Counties Agricultural Grants (Scotland) Scheme 1961(b), the Crofting Counties Agricultural Grants (Scotland) Scheme 1963(c) or the Crofting Counties Agricultural Grants (Scotland) Scheme 1965(d) and, except in the case of a person who is a subtenant as is mentioned in section 14(1)(c) of the Crofters (Scotland) Act 1961, who has been offered a grant under any of the said schemes;

"programme" means a programme of not less than three years' duration for increasing the efficiency of a small farm business, comprised of yearly plans for each of three consecutive specified years, every such plan containing a requirement that such farm business records, specified in the programme, shall be kept as appear to the Secretary of State to be appropriate having regard to all the circumstances of the business;

"relevant land" means any land comprised in a small farm business other than land occupied by any person as a crofter or as an eligible occupier;

"the scheme of 1965" means the Small Farm (Business Management) (Scotland) Scheme 1965(e);

"small farm business" means a trade or business consisting in, or such part of any trade or business as consists in, the carrying out of agricultural operations on land comprised in the business, where the amount of that land under crops or grass, excluding any rough grazing land, does not exceed 150 acres;

"small farm business to which this scheme applies" has the meaning assigned to it by paragraph 3 of this scheme;

"the small farmers schemes" means the Small Farmers (Scotland) Scheme 1959(f) and the Small Farmers (Scotland) Scheme 1962(g).

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

Classes of small farm business to which this scheme applies

3. This scheme applies to a small farm business where the amount of relevant land under crops or grass, excluding any rough grazing land, comprised in the business is not less than 20 acres, and the standard labour requirements of the business calculated in accordance with the Schedule to this scheme are not less than 250 standard man-days a year.

Grants payable for approved programmes

4. Subject to the provisions of this scheme, where the person carrying on a small farm business to which this scheme applies has, within the period commencing with 1st September 1968 and ending with 31st August 1969, submitted to the Secretary of State a programme in respect of the business, and the Secretary of State has approved the programme for the purposes of the scheme, the Secretary of State may in connection with the carrying out of the programme pay grants in respect of the general purposes of the farm business to the person for the time being carrying on the business.

(a) 3 & 4 Eliz. 2.c. 21; 1961 c.58.
(b) S.I. 1961/2266 (1961 III, p. 3973).
(c) S.I. 1963/1294 (1963 II, p. 2240).
(d) S.I. 1965/1519 (1965 II, p. 4399).
(e) S.I. 1965/1576 (1965 II, p. 4590).
(f) S.I. 1959/573 (1959 I, p. 212).
(g) S.I. 1962/1700 (1962 II, p. 2114).
(h) 1889 c.63.

Restrictions on approval of programmes

5.—(1) No programme shall be approved under this scheme in relation to a small farm business unless on the day on which the programme is submitted to the Secretary of State for approval—

(*a*) the amount of relevant land under crops or grass, excluding any rough grazing land, comprised in the business is not more than 125 acres, and

(*b*) the standard labour requirements of the business calculated in accordance with the Schedule to this scheme are not more than 600 standard man-days a year.

(2) Where any person carrying on a small farm business has received one or more grants in respect of that business under section 65 of the Agriculture Act 1967(a) (which enables grants to be made for the keeping of farm business records)—

(*a*) a programme in respect of that business may not be approved under this scheme unless it is a complete programme; and

(*b*) paragraph 7(4) of this scheme shall not apply to such a programme.

Circumstances in which grant may be paid

6.—(1) A grant under this scheme may be paid on the completion to the satisfaction of the Secretary of State of each of the three yearly plans comprised in an approved programme.

(2) The maximum period in respect of which such a grant may be paid shall be three years from the date of the commencement of the year specified in the programme for the carrying out of the plan to which the grant relates, but without prejudice to section 5 of the Act (which relates to the revocation of programmes where there has been unreasonable delay, etc.) it shall nevertheless be a condition of payment of grant under this scheme that the plan to which the grant relates shall be completed within two years of the said date:

Provided that in cases where failure to complete the plan within the said period of two years has been caused mainly by factors outside the control of the person carrying on the business the Secretary of State may extend the time for completion up to a maximum of one additional year.

Amounts of grants

7.—(1) The amounts of grant payable in connection with the carrying out of a basic programme shall be as follows:—

On completion of the first yearly plan ...	£50, plus £2 per acre, up to a maximum of 100 acres.
On completion of the second yearly plan ...	£50.
On completion of the third yearly plan ...	£50.

(2) The amounts of grant payable in connection with the carrying out of a complete programme shall be as follows:—

On completion of the first yearly plan ...	£50, plus £2 per acre, up to a maximum of 100 acres.
On completion of the second yearly plan ...	£50, plus £3 10s. per acre, up to a maximum of 100 acres.
On completion of the third yearly plan ...	£50, plus £3 per acre, up to a maximum of 100 acres.

(a) 1967 c.22.

(3) Where a yearly plan comprised in a basic programme has been completed to the satisfaction of the Secretary of State and he has received such extracts from the records required to be kept in accordance with that plan as he is entitled to receive under this scheme, if he is satisfied that the next following yearly plan comprised in the programme, either unmodified, or having been modified in accordance with this scheme in such a way as has been agreed between him and the person carrying on the business, is best calculated to improve the efficiency of the business, having regard to the information obtained from such records, then on completion of that following yearly plan the Secretary of State may pay grant at the rate which would have been payable if that plan had been comprised in a complete programme.

(4) Where a person has failed to complete a plan relating to the second or third year of a programme but has carried out such parts of the plan as require the keeping of records, the Secretary of State may nevertheless pay him grant at the appropriate rate for a plan forming part of a basic programme.

(5)(*a*) In this paragraph "per acre", in relation to any yearly plan, means per acre of the average amount of relevant land under crops or grass, excluding any rough grazing land, comprised in the small farm business to the satisfaction of the Secretary of State during the year to which the plan relates, fractions of an acre being rounded down to the nearest quarter of an acre and all land in respect of which grant has been paid by virtue of a scheme made under section 2 of the Agriculture and Horticulture Act 1964(**a**) being disregarded.

(*b*) Any increase or decrease in the amount of land under crops or grass, excluding any rough grazing land, comprised in the business shall at once be notified to the Secretary of State by the person carrying on the business.

Supplementary conditions

8. It shall be a condition of the making of a payment to any person under this scheme that—

(*a*) there shall be an application in writing, in such form as the Secretary of State may require, for the Secretary of State's approval of any programme proposed to be carried out;

(*b*) there shall be no substantial modification of a programme except with the consent of the Secretary of State on the application of the person for the time being carrying on the small farm business to which the programme relates;

(*c*) subject to the provisions of paragraphs 6(2) and 7(4) hereof the programme shall be properly carried out without any avoidable delay;

(*d*) any person authorised by the Secretary of State in that behalf shall be given reasonable facilities to inspect any land, livestock, works or operations to which the programme relates and shall be given in respect of the programme all such information as the Secretary of State may reasonably require for the purposes of the scheme;

(*e*) such records of the business as relate to the duration of the programme or to the three preceding years shall on reasonable notice be produced to a person authorised by the Secretary of State and extracts from records kept in pursuance of a requirement in the programme shall be submitted to the Secretary of State in such form and at such times as he may require.

(**a**) 1964 c.28.

Abatement where grant previously paid

9.—(1) Subject to the following provisions of this paragraph, it shall be a condition of the making of a payment to a person under this scheme that the sum of the grants payable under the foregoing provisions of this scheme in connection with the carrying out of the programme to which the payment relates shall be reduced by—

(*a*) the aggregate of all farm business grants paid to him under the small farmers schemes or either of them;

(*b*) the aggregate of all field husbandry grants paid to him under the small farmers schemes or either of them in respect of any of the relevant land comprised in the small farm business to which the programme relates;

(*c*) the aggregate of the residual values of all field husbandry grants paid under the small farmers schemes or either of them to any other person in respect of any of the relevant land comprised in the said small farm business;
and

(*d*) the aggregate of all grants paid to him in connection with the carrying out of a programme under the scheme of 1965 or any other programme under this scheme.

(2) For the purposes of this paragraph—

(*a*) the residual value of a field husbandry grant shall be the amount of such grant reduced by 25 per cent. for each complete year in excess of 3 years between the date of the commencement of the farm business plan in respect of which the grant was payable and the date on which the person to whom grant is payable under this scheme commenced to carry on the small farm business;

(*b*) where a field husbandry grant has been paid partly in respect of relevant land which is comprised in the small farm business and partly in respect of other land, the grant shall be apportioned by the Secretary of State;

(*c*) payment of a grant to a person includes the payment of a grant which in the opinion of the Secretary of State is substantially paid for the benefit of that person, notwithstanding that the payment is nominally made to some other person;

(*d*) where a grant has been paid to a partnership or to persons jointly, the Secretary of State may apportion the grant between the members of the partnership or such other persons in such manner as he thinks appropriate, having regard to their respective interests, and any part of a grant so apportioned to a person shall be deemed to have been paid to him.

Other limitations

10.—(1) No person shall receive a grant in connection with the carrying out of a programme under this scheme if at any time while he is carrying out that programme he is also carrying out a farm business plan under either of the small farmers schemes or a programme under the scheme of 1965 or is keeping farm business records with a view to obtaining grant under section 65 of the Agriculture Act 1967.

(2) If a person is carrying out two or more programmes under this scheme at the same time, he may receive grant in respect of only one such programme.

William Ross,
One of Her Majesty's Principal Secretaries of State.

1st August 1968.

We approve,

E. Alan Fitch,
Joseph Harper,
Two of the Lords Commissioners of Her Majesty's Treasury.

7th August 1968.

Paragraphs 3 and 5

SCHEDULE

In this Schedule "business" means a trade or business consisting in, or such part of a trade or business as consists in, the carrying out of agricultural operations on relevant land comprised in it.

1. The standard labour requirements of a business on any day shall be expressed in standard man-days calculated, except as is otherwise provided in the succeeding paragraphs, by multiplying respectively the number of standard man-days set out in the following table in relation to any kind of crop or livestock therein mentioned by the total number of acres (or other units to which the standard man-days are related in the table) of that kind of crop, or the average of the numbers of that kind of livestock, shown to the satisfaction of the Secretary of State to be comprised in the business during the 12 months immediately preceding the date to which the calculation relates, adding together the results so obtained and increasing the total by 15 per cent.

2. Where a crop is grown for a person other than the person carrying on the business under a contract with that other person by which he carries out any part of the cultivations necessary for growing or harvesting the crop, the number of standard man-days attributable to that crop shall be reduced to such figure as the Secretary of State considers reasonable, having regard to the proportion of the cultivations carried out by the person carrying on the business.

3. Where double cropping is practised on land comprised in the business, the area of both crops shall be included in the calculation.

4. Livestock taken into pasture in return for a money payment shall be deemed to be comprised in the business while they are on land comprised in the business, and not otherwise.

5. A cow of a dairy type which suckles calves shall be classified as a beef cow.

6. The number of livestock comprised in the business shall not include calves less than 7 days old, unweaned piglets, or unweaned lambs.

7. The number of pigs fattened or reared on land comprised in the business shall be the total number of pigs so fattened or reared during the 12 months immediately preceding the date to which the calculation relates.

8. The number of any kind of poultry (other than laying birds and male birds for breeding) shall be the total number of that kind of poultry kept on the land comprised in the business during the 12 months immediately preceding the date to which the calculation relates.

9. If the Secretary of State is satisfied that by reason of special circumstances the area of crops, or of any kind of crop, or the number of livestock, or of any kind of livestock, comprised in the business during any period of 12 months mentioned in the preceding paragraphs is unrepresentative of the area or number respectively usually comprised in the business, such other area or number shall be taken as is, in the opinion of the Secretary of State, shown by the person for the time being carrying on the business to be representative of the area or number usually comprised in the business.

TABLE

CROPS

	Standard man-days (per acre unless otherwise indicated)
Wheat	2½
Barley	2½
Oats	3½
Mixed Corn	3½
Rye, for threshing	3½
Rye, for grazing	1½
Arable silage	3
Beans and peas for stockfeeding	3
Potatoes, seed	20
Potatoes, ware	18
Turnips and swedes for stockfeeding	11
Sugar beet	12½
Fodder beet	12½
Mangolds	11
Rape (or Cole)	1½
Kale, for grazing	1½
Cabbage, kale (other than for grazing), savoys and kohl rabi, for stockfeeding	6
Vetches or tares	3½
Orchards	
Seven years old and over	25
Under seven years old	10
Derelict orchards	¼
Small fruit: Under orchard trees	30
Not under orchard trees—	
Strawberries	70
Raspberries	90
Currants (black)	50
Currants (red and white)	45
Gooseberries	45
Loganberries and cultivated blackberries	80
Vegetables for human consumption—	
Brussels sprouts	25
Cabbage	17
Kale and sprouting broccoli	17
Cauliflower	17
Carrots	17
Parsnips	21
Turnips and swedes	21
Beetroot (red beet)	35
Broad beans	30
Peas, green for pulling	30
Peas, for vining or harvesting dry	4½
Lettuce, grown in the open	10
Tomatoes, grown in the open	50
Other vegetables (including rhubarb)	50

	Standard man-days (per acre unless otherwise indicated)
Hardy nursery stock	50
Bulbs and flowers in the open	100
Other crops in the open (including all crops grown for seed except cereals, potatoes and grass)	3
Bare fallow	½
Grass (including clover, lucerne and sainfoin)—	
for mowing	1½
for grazing	¼
for seed	4½
Mushrooms (per 100 sq. ft.)	3½
Crops under glass (per 100 sq. ft.)	3½

LIVESTOCK

	Standard man-days (per head per annum)
Dairy cows in milk or in calf and heifers in milk	12
Beef cows	4
Bulls	7
Other cattle	2½
Upland sheep	½
Lowland sheep	¾
Breeding sows and gilts	4
Boars	4
Pigs fattened or reared for breeding	½
Poultry—	
Laying birds and male birds for breeding	0.20
broilers produced and young birds (other than day-old chicks) sold for fattening	0.01
other poultry sold for slaughter, or reared for flock replacement	0.05

EXPLANATORY NOTE

(This Note is not part of the Scheme.)

This Scheme, made under Section 1 of the Agriculture (Small Farmers) Act 1959, provides for the making of grants to a person carrying on a small farm business in Scotland if he carries out with the approval of the Secretary of State a three year programme for increasing the efficiency of the business. Every programme must provide for the keeping of farm business records.

The Scheme applies to programmes submitted for approval during the period from 1st September 1968 to 31st August 1969. To be eligible, a small farm business must comprise not less than 20, and not more than 150, acres of land under crops or grass, and have standard labour requirements of not less than 250 standard man-days a year. At the time the programme is submitted for approval the acreage must be not more than 125, and the standard man-days not more than 600.

Grants are made in respect of the general purposes of the business. The rates differ in the second and third years of a programme, according to its nature. Where records have already been kept, so that it is possible to formulate a complete programme from the outset, the higher rate of grant will be payable on completion of each year's plan. Otherwise there will be a basic programme, attracting the same rate in the first year, but lower rates in subsequent years conditional only on the keeping of records. A basic programme can be amended by agreement to take account of the records, and if the Secretary of State is satisfied that the plan is then best calculated to increase the efficiency of the business, having regard to the records, he can pay grant at the higher rate in the second and third years.

The Scheme replaces the Small Farm (Business Management) (Scotland) Scheme 1965, under which programmes may be submitted for approval during the three years ending 31st August 1968. A person is ineligible for grant under this Scheme if he is keeping records under the Farm Business Recording Scheme, and if he has already participated in that scheme he can only undertake a complete programme under this Scheme. Otherwise, apart from the shorter period during which programmes may be submitted, the Scheme is substantially the same as its predecessor.