1987 No. 63

AGRICULTURE

The Agricultural and Horticultural Co-operation Scheme (Northern Ireland) 1987

Made . . . . . 17th February 1987

Coming into operation . . 1st April 1987

To be laid before Parliament under paragraph 3(3) of Schedule 1 to the Northern Ireland Act 1974

The Department of Agriculture in exercise of the powers conferred on it by Articles 15(1), (3) and (7) and 19(2) of the Agriculture and Fisheries (Financial Assistance) (Northern Ireland) Order 1987(**a**) and of every other power enabling it in that behalf, with the approval of the Department of Finance and Personnel hereby makes the following Scheme:—

Citation and commencement

1. This Scheme may be cited as the Agricultural and Horticultural Co-operation Scheme (Northern Ireland) 1987 and shall come into operation on 1st April 1987.

Interpretation

2. In this Scheme—

"applicant" means a person who applies for a proposal to be approved under this Scheme and includes such a person after the proposal has been approved;

"approved proposal" means a proposal approved by the Department, within the provisions of Article 3;

"a co-operative association" means—

(*a*) a Society registered under the Industrial and Provident Societies Acts (Northern Ireland) 1969 and 1976(**b**), or

(*b*) a body which (whether incorporated or not) has a written constitution from which Food from Britain are satisfied, having regard to any provision as to the manner in which any profits of the body are to be applied for the benefit of its members, the provisions for voting by members and all other relevant provisions, that the body is in substance a co-operative association;

"horticultural produce" means—

(*a*) fruit;

(**a**) S.I. 1987/166 (N.I. 1)
(**b**) 1969 c. 24 (N.I.) and S.I. 1976/425 (N.I. 7)

(*b*) vegetables of a kind grown for human consumption, including fungi, but not including maincrop potatoes or peas grown for seed or for harvesting dry;

(*c*) flowers, pot plants and decorative foliage;

(*d*) herbs;

(*e*) seeds (other than pea seeds), bulbs and other material, being seeds, bulbs or material for—

(i) sowing or planting for the production of fruit, of the vegetables, flowers, plants or foliage mentioned in (*b*) and (*c*) above or of herbs, or

(ii) reproduction of the seeds, bulbs or other material sown or planted; or

(*f*) trees and shrubs, other than trees grown for the purpose of afforestation;

but does not include hops;

"the Order" means the Agriculture and Fisheries (Financial Assistance) (Northern Ireland) Order 1987;

"producer" means a producer of agricultural or horticultural produce;

"proposal" means a proposal in respect of which an application for approval is made to Food from Britain while this Scheme is in operation and within the period ending on 14th May 1991 or within such additional period by which the period specified in Article 15(6) of the Order may be further extended by order and includes a reference to any proposed variation of an approved proposal;

"recognised group" means a co-operative association recognised by the Department to be situated wholly or substantially on land—

(*a*) which is, in the opinion of the Department, inherently suitable for extensive livestock but not for the production of crops in quantity materially greater than that necessary to feed such livestock as are capable of being maintained on such land, and

(*b*) whose agricultural production is, in the opinion of the Department, restricted in its range by, or by any combination of, soil, relief, aspect or climate.

Approval of proposals

3.—(1) The Department may if it thinks fit approve any proposal (other than any proposal in respect of which grant would be barred by Article 15(2) of the Order) which has been submitted to and recommended by Food from Britain while this Scheme is in operation and which is designed to organise, promote, encourage, develop or co-ordinate any form of co-operation in agriculture or horticulture, including co-operation and mutual assistance in production, storage, preparation for market, marketing, transport, the provision of buildings, equipment and services for farmers and other producers, research and other incidental activities.

(2) The Department shall include in its approval of any proposal a statement of the rate or amount of grant which may be paid in respect of the carrying out of the approved proposal or, as the case may be, a statement of the basis on which the amount of grant shall be calculated.

(3) Any such recommendation and approval may be given before or, in such classes of cases as the Department may direct, after the carrying out of the proposal.

(4) Any such approval of a proposal may be subsequently varied or withdrawn by the Department with the written consent of the person making the proposal.

Amount of grant

4.—(1) Subject to the provisions of this Article, the amount of any grant in respect of any approved proposal shall be at the discretion of the Department, and may be calculated by reference to expenditure reasonably incurred by the applicant in the carrying out of the approved proposal, by reference to an estimate of expenditure so incurred, by reference to a fixed sum determined by the Department or in any other way.

(2) The amount of any grant in respect of any approved proposal shall not, insofar as it relates to expenditure incurred in connection with anything described in column 1 of the Schedule, exceed the appropriate percentage of expenditure, reasonably incurred, as is specified in relation thereto in column 2 of the Schedule, and no grant shall be payable in respect of any proposal of a kind described in Parts I and II of the Schedule unless it appears to the Department that the expenditure to be incurred in connection therewith will be of a capital nature.

(3) The amount of any grant in any other case where it is related to the cost reasonably incurred, or the cost estimated by the Department to be so incurred, in carrying out the approved proposal shall not exceed 75% of that cost or estimated cost, as the case may be.

(4) In paragraph (2) the term "appropriate percentage" means—

(*a*) in relation to work done, materials supplied, or plant or equipment installed or used by or to the order of any co-operative association in furtherance of the objects of that association—

(i) in connection with produce other than horticultural produce on land not used for agriculture or horticulture, the figure specified in Division A of Column 2 of Part I of the Schedule;

(ii) on land used for agriculture, the figure specified in Division B of Column 2 of Part I of the Schedule;

(iii) in connection with horticultural produce on land not used for agriculture or horticulture, the figure specified in Division C of Column 2 of Part I of the Schedule;

(iv) on land not used for agriculture, the figure specified in Column 2 of Part II of the Schedule; and

(*b*) in relation to items in Column 1 of Part III of the Schedule, the figure specified in Column 2 thereof.

Consideration of proposals by Food from Britain

5.—(1) Each applicant shall provide all such particulars and information in relation to the application and proposal as Food from Britain may reasonably require and in such form as Food from Britain shall prescribe.

(2) When considering such applications, Food from Britain shall consider, as appropriate—

(*a*) the status of the applicant;

(*b*) the extent of the potential benefit to producers (including, in the case of an applicant co-operative association whether the potential benefit extends beyond benefit to its members);

(*c*) the scale and general merits of the proposal, including its practicability and suitability for the applicant;

(*d*) how the proposal will be carried out, how long it will take and the reasonableness of the estimated cost;

(*e*) the resources of the applicant, including possible contributions towards the cost from sources other than this Scheme;

(*f*) such other matters as may be appropriate in respect of any particular proposal;

and in each case shall satisfy themselves that the applicant is a co-operative association and possesses and exercises, or will possess and exercise, powers designed to secure such loyalty and support from the members of the association as Food from Britain consider to be necessary.

(3) Food from Britain shall in each case when considering a proposal have due regard to such requirements, criteria and other matters as the Department may from time to time specify in relation to the eligibility of any kind of proposal for approval by the Department.

(4) Food from Britain shall consider each proposal together with all information furnished in respect thereof and shall decide, having regard to the scope and requirements of this Scheme, whether or not to recommend to the Department that the proposal should be approved by it.

Recommendations by Food from Britain

6.—(1) In each case where Food from Britain decide to make a recommendation for approval they shall also make recommendations to the Department as to—

(*a*) the rate, basis or amount of grant; and

(*b*) any conditions subject to which payment of grant should be made.

(2) In each case where the Department has approved any proposal and has sent its approval to Food from Britain, Food from Britain shall thereupon send a copy thereof to the applicant.

(3) If in any case Food from Britain decide not to recommend a proposal for approval they shall inform the applicant in writing of their decision.

Reports of progress

7.—(1) Food from Britain shall, in every case where they consider that the circumstances of the proposal make it desirable to do so, require the applicant to furnish them from time to time with reports on the progress made in carrying out the approved proposal and Food from Britain shall consider all such reports together with the results of any other enquiries made by them.

(2) Food from Britain shall from time to time in each case record that due progress with the approved proposal is being made, or otherwise report to the Department the state of progress and make recommendations regarding the continuance of the project.

Conditions of payment of grant

8. Payment of grant in relation to any approved proposal shall be subject to the following general conditions and to such other conditions as the Department may from time to time impose in relation to any particular case or class of case:

(*a*) except in relation to an approved proposal referred to in Article 9(3), the applicant shall carry out and complete the approved proposal without any unreasonable delay and to the satisfaction of Food from Britain and the Department;

(*b*) any substantial deviation from the approved proposal in carrying it out shall require the prior recommendation of Food from Britain and approval of the Department;

(*c*) the applicant shall, if so required by Food from Britain from time to time—

(i) submit to Food from Britain a report on the progress made in carrying out the approved proposal, and

(ii) produce all such documents, accounts or other information relating to the approved proposal as Food from Britain may require from him;

(*d*) the applicant shall keep or cause to be kept such books, records and other documents as the Department or Food from Britain may reasonably require for the purposes of this Scheme, or, in the absence of any such requirement, such books, records and other documents as are necessary to enable the Department or Food from Britain to be satisfied that expenditure has been properly incurred and that conditions of payment of grant have been complied with;

(*e*) the applicant shall retain or cause to be retained any such books, records or other documents until after the expiration of 2 years from 31st March next following the date on which payment of grant was completed;

(*f*) any person authorised for the purpose by the Department, the Comptroller and Auditor General for Northern Ireland or Food from Britain shall be granted access at any reasonable time either before or after the completion of the approved proposal to the premises of the applicant for the purpose of examining any books, records or other documents insofar as they relate to the approved proposal, and of inspecting any building, equipment or thing the cost of which was taken into account in connection with the approved proposal;

(*g*) the applicant shall provide such information as Food from Britain may require about the results of carrying out the approved proposal and Food from Britain shall be entitled to publish or otherwise disseminate such information if, in their opinion, this is desirable for the purpose of promoting or developing, any form of co-operation in agriculture or horticulture.

Payment of grants

9.—(1) Application for payment of grants shall be made, as the Department shall from time to time determine, either to the Department or to