



**Isle of Man
Government**

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Agriculture and Fisheries Grant Scheme

Agricultural and Horticultural Production Businesses

Guidelines for Applicants

December 2022

Author	Revision Date	Summary of changes
S Halsall	September 2020	Previously agreed updates.
J Harrison	April 2022	Addressing Information Commissioner feedback & updating standard costs
J Harrison	October 2022	Clarifying the approval extension process & correcting provenance label wording
J Harrison	December 2022	Add in a Schedule for egg boxes and clarification of the treatment of 2 nd hand equipment

Policy adopted	
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LEGAL DISCLAIMER

The information contained in these guidelines is intended to assist applicants in assessing their eligibility when completing an application for financial assistance. Completion of an application does not contractually bind the Department to grant assistance. The scheme is discretionary and any decision to provide assistance for a specific application will be based on its merits. The Department, in consultation with the industry, will undertake regular reviews of this guidance.

INTRODUCTION

Agricultural and Horticultural production business section of the Agriculture and Fisheries Grant Scheme (AFGS) is a business development scheme for agricultural and horticultural businesses. The Scheme is open to the proprietors of eligible businesses, including sole traders, partnerships or bodies corporate.

The purpose of the Scheme is to support commercial businesses in making investments to improve the sustainability of the business.

These guidelines provide information on the Scheme for potential applicants and cover the types of business eligible for support, the range of improvements for which financial assistance is available and the rates of grant applying. Advice is also provided on the application and claim processes.

It is the applicant's responsibility to ensure forms are completed accurately and returned within the time specified.

Warning: if you deliberately or recklessly provide any inaccurate information on your application, you could render yourself liable to prosecution.

For further information on all aspects of the Scheme, please visit the following website:

<https://www.gov.im/agandfishgrantscheme>

The website contains downloadable documents as follows:

- The Agriculture and Fisheries Grant Scheme Policy
- Agricultural and Horticultural Production Businesses Guidelines for Applicants (which includes):
 - Rates of Support (Appendix I)
 - Standard Costs (Appendix II)
 - Partial Budget Example (Appendix III)
 - Labour Requirement (Appendix IV)
 - Assessment Criteria (Appendix V)
- Application for the Agriculture and Fisheries Grant Scheme
- Frequently Asked Questions
- Energy Plan Guidance Notes
- Agricultural and Horticultural Production Business, Business Case Form
- Nutrient Management Plan Information Sheet

WHO CAN APPLY?

Applications will be accepted from agricultural production businesses, horticultural production businesses, agricultural contractors and commercial bee keepers:

- **Agricultural production business:** Agriculture is currently defined by GC 65/08 as the production, rearing or growing of agricultural products including harvesting, milking, breeding animals and keeping animals for farming purposes or maintaining land in good agricultural and environmental condition. These activities should represent the core business activity;
- **Horticultural production business** is defined as a commercial business involved in the primary growing of horticultural produce and its storage and preparation for market and occupies an area of at least two acres of land which has been used for the purposes of horticultural production for at least two years (areas under glasshouses may be multiplied by 20 for determining the size of the area). It must not be involved in selling by retail such that it forms a major part of the business, unless such business has an annual turnover lower than £100,000;
- **Agricultural contracting** is defined as a commercial business involved in the supply of agricultural work or services in connection with agricultural land to eligible agricultural production businesses;
- **Commercial bee keeping** means the keeping of bees for the commercial production of honey.
- **Recognised industry bodies:** For the purposes of the AFGS, by the fact that Individuals, Partnerships, Companies and Limited Companies are registered with DEFA they will be considered to be recognised industry bodies.
- **“young farmers”**
means individuals who –
 - are less than 40 years of age on the date on which an application is submitted to the Department;
 - i. are –the sole beneficial owners or sole beneficial tenants; or
 - ii. where the applicant farms in partnership or as part of a corporate business the applicant must have a majority beneficial stake in the business.
 - iii. established or took over the eligible agricultural business to which the application relates not more than ten years prior to the date of application; and
 - iv. in respect of a second or subsequent application, make that application no more than ten years after their first application for the enhanced rate of grant for young farmers was accepted by the Department,

All businesses must:

- be operated on a day to day basis by a competent individual who is permanently resident in the Island for Taxation purposes.
- either at the time of application or upon completion of a development plan be able to generate at least 900 hours agricultural activity per year (with the exception of bee-keeping). Such calculations are made on the basis of standardised labour requirements as agreed between the UK Agriculture and Rural Affairs Departments. The annual labour requirement in hours per annum for various enterprises is shown in Appendix IV.

WHAT CAN YOU APPLY FOR?

This depends on the nature of your business and the improvement. The rates of support can be found in Appendix I.

The maximum grant available is £200,000 per applicant in any rolling 5 year period.

A payment cap may be applied to grant applications that either individually or cumulatively, over a rolling twelve month period, are eligible for grant support of over £40,000. The rolling twelve month period is based on the date of receipt of the applications. The application of this cap is at the discretion of the Minister and the Agriculture and Lands Committee and may be applied as per the table below.

Total grant payable	Percentage of calculated grant to be approved
<£40,000	Up to 100%
£40,000.01 - £60,000	Up to 50%
>£60,000	Up to 25%

Applications will not be accepted for expenditure relating to;

- the keeping and breeding of horses; the provision of horses for hire;
- mobile machinery (except livestock handling and mobile sheep dippers);
- the purchase of land;
- the provision of living accommodation;
- anything contrary to good agricultural practice, animal welfare, environmental practice or that would appear to frustrate the policies or objectives of the Department.

Importantly, grant assistance cannot be considered for items of expenditure which have been purchased prior to submission of an application. An application is considered to have been submitted when it is completed to the satisfaction of the Department.

Please note:

- Neither a preliminary discussion nor presentation should be considered a substitute for a properly supported application.
- The total proposed expenditure which the grant amount is based on should not include VAT (unless the applicant is not VAT registered).
- Delivery charges can be included in the total proposed expenditure amount.

Second hand items

Specialist equipment can be expensive when purchased new, therefore the Department may grant aid the purchase of second hand items under certain circumstances.

Ideally 2 quotes should be obtained, but recognising that this may be impossible, at least one of the criteria listed below should be met.

- The item has been reconditioned by a specialist machinery dealer
- The item has been valued by a person independent to the applicant and the supplier and the valuer attests the item to be fit for purpose – the cost of the valuation would be at the expense of the applicant and not eligible for grant support

Grant will NOT be given on items which the Department is aware have been supported in a previous application.

Capital Grants

For capital grants, the level of support offered will be lowered where there is a replacement component in relation to the machinery, i.e. if the equipment is simply replacing old equipment and not creating new economic value.

A new machine that will generate new revenues and jobs may attract the full rate advised in the schedules, while a machine that is simply replacing a worn out one will attract nil; others which are a mix will attract somewhere in that range based on the business case provided.

COMPLETING APPLICATION FORMS:

Applications for support toward total expenditure of over £2,000 must include a partial budget appraisal for the investment (Section 3 of the paper application form). Please refer to Appendix III for an example of such; a proforma calculator is included within the application form. Applications for projects over £15,000 must be accompanied by a completed business case form. The online application form and a business case form can be found on our website here: <https://www.gov.im/agandfishgrantscheme>. Click on the green "Apply now" and then select the Agricultural and Horticultural Improvement Grants option. Paper copies are also available from The Slieau Whallian, St John's.

By signing the application form you are declaring your agreement to the full terms and conditions of the Scheme.

STANDARD COSTS AND QUOTES:

Costs will be approved against Standard Costs where possible - i.e. the Standard Cost figures in Appendix II may be amended as appropriate, so you are advised to refer to the most up to date Guidelines for Applicants. These costs include labour, plant and material, to carry out work to a certain specification.

Where an item has no Standard Cost, quotes must be supplied that demonstrate the Actual Cost being applied for and failure to do so will result in the application being rejected:

- Small value items, less than £2,000 in total cost, may be approved against a single quote; this acknowledges there may not be standard costs for some smaller items.
- Items above £2,000 in value require two* quotes **from genuinely separate businesses** (*with the exception of specialised items such as dairy equipment). Grant may be paid on the lower of the two quotes.

HOW APPLICATIONS WILL BE ASSESSED:

The Scheme may reserve the right to approve applications on the basis that they meet the assessment criteria as detailed at Appendix V. Multiple items on a single application form may be split into their logical component parts and assessed as such.

The available budget will determine the number of applications approved.

HOW WILL I KNOW IF MY APPLICATION HAS BEEN SUCCESSFUL?

The Department will endeavour to notify applicants within 4 weeks of application receipt:

- Successful applicants will receive an Approval Document/Claim Form detailing the agreed timescale for support from the Department.
- Unsuccessful applicants will be informed of the reasons for that decision by email or letter. [Please see the 'Right of Appeal' section on page 8]. Rejected applications will not be held over - applicants must reapply.

TERMS AND CONDITIONS

Applications are subject to the Scheme conditions at the date of receipt of the application. Once a formal approval has been received by the applicant, the offer of assistance is valid for **one year** and claims **must** be submitted within that time. This period may be extended provided that the request to extend is received **before** the expiry date of the grant approval, any extension granted will be for 6 months and the new expiry date will be confirmed by the Department in writing. Applications can be extended for a further 6 months, again, provided that the request to extend is received **before** the expiry date of the grant approval.

If you are unable to take up an offer of assistance, re-applications may be considered.

Support under the Agriculture and Fisheries Grant Scheme cannot be paid retrospectively, standard terms and conditions are applied to all offers of financial assistance. These are intended to protect Government's investment so that if for example, a company ceases to trade within the period of the conditions or stops using the supported assets for the purpose intended, then all or part of the assistance received may be repayable. There are a number of scenarios that would trigger a default under the standard terms and conditions so it is very important that they are read and understood before signing acceptance of the offer of financial assistance. The DEFA may also impose further more specific conditions depending on the individual applicant's circumstances. In the case of new start-up businesses the payment of assistance may be linked to performance and tied into the business plan submitted as part of the application for assistance.

If an applicant is successful in receiving support of £20,000 either as a large one off grant or as a rolling annual total they are required to provide evidence of Benchmarking activity to be eligible to receive grant support in the future.

HOW DO I CLAIM?

Claim Forms are sent to the applicants at the time they are notified of approval, however, paper copies are also available by contacting DEFA on 685844. Submit your claim, with all supporting documentation before the expiry date which you can find on your Claim Form, which you will receive as part of your written approval document, to the Department at Thie Slieau Whallian, St John's.

If you wish to extend your approval, please contact us **BEFORE** the expiry date.

No reminder will be issued once the original approval is notified.

You can only make a claim in respect of approved eligible items of expenditure which have been carried out and for which you have paid.

Payment will be made against the approved or actual cost - whichever is the lower.

Failure to claim for financial assistance within the approved time scale will result in your claim being rejected.

RIGHT OF APPEAL

1. A person may, within 28 days of the date of notification of a decision under this Scheme, request in writing that the Department review the decision, stating the grounds on which the review is requested.
2. In the first instance, the application shall be reviewed by an officer of the Department who has had no involvement in the original application; this is known as a Stage 1 appeal.

3. Stage 1 appeal decisions are to be made and notified to the applicant within 30 days of the date the review request was received.
4. Following notification of the outcome of the review, if an applicant considers that the grounds for appeal have not been addressed, he or she may apply in writing to the Department requesting that the matter be referred to the Appeals Committee ("the Committee"). This is known as a Stage 2 appeal.
5. A stage 2 appeal shall be heard and a recommendation made by the Committee within 90 days from the date a request for a Stage 2 appeal is received.
6. Applicants may opt to have either a written or oral Stage 2 appeal.
7. In the case of a written appeal, the appeal request document and all other relevant paperwork, including the review paperwork, shall be considered by the Committee in advance of the meeting without the appellant present.
8. In the case of an oral appeal the appellant shall receive all the paperwork which is to be considered by the Committee in advance of the appeal hearing and he or she will be invited to attend part of the meeting.
9. During the oral hearing the appellant shall be extended the opportunity to present his or her case and respond to the Committee's questions. Appellants may be accompanied and may wish to appoint someone to represent them.
10. Once the appeal hearing is complete, the appellant and anyone accompanying him or her shall leave the meeting and the Committee shall deliberate on the matter.
11. The Committee must send a recommendation to the Minister of the Department for consideration and final decision. The Minister must make the decision within 28 days from receipt of the Committee's recommendation, however, where an appeal is particularly complex, a further period of consideration may be required and the appellant shall be notified of this in writing.
12. The Department shall provide the appellant with written notification of the Minister's decision within 28 days of the date of the decision being made.
13. For the purposes of this Scheme, the Committee shall be convened by the Department as required and shall consist of an industry representative, a Department representative who has not been involved in the original decision or the review and an independent person who has appropriate knowledge of the subject area.
14. The Department shall seek nominees to the Committee and maintain a list of those nominees along with a reference to their particular area of expertise. This list shall be available for inspection upon request.
15. The Committee when dealing with a Stage 2 appeal must —
 - a) work within the parameters of the Scheme;
 - b) not award compensation; and
 - c) make objective and evidenced recommendations in line with the Scheme specifications.

COSTS OF AN APPEAL

1. An application for a Stage 2 appeal shall incur a cost of £300, payable when the appeal is submitted.
2. Any charge for an appeal under paragraph (1) shall be refunded where that appeal is successful.

LIVESTOCK BUILDING VENTILATION

Department policy is to only provide grant aid for livestock buildings and their internal fittings where the new or existing building meets or exceeds accepted good practice with regard to ventilation. The grant support available for livestock buildings of 35% compared to 30% for general purpose buildings is in place to reflect the additional cost of providing adequate ventilation infrastructure.

Improving existing buildings, or designing new builds to best standards, has a lasting and positive impact on animal health and productivity. Consequently this has a beneficial effect on farm viability and economic growth.

The target for cattle buildings is to ensure a design that maximises ventilation potential on a **still** day, without exposing the livestock to elevated air speed when the wind is blowing. This relies on ventilation via the stack effect.

When designing a new building, or improving an old one, there is an absolute requirement to calculate the area of outlet required in a roof to allow heat and moisture from the livestock to escape by natural convection.

The inlet area, ideally split evenly across the two sidewalls, is an absolute minimum of twice the outlet area, and better at four times the outlet area.

The required outlet and inlet area is unique to the individual building and is dependent on the:

- Dimensions of the building – width, height to eaves and roof pitch
- Maximum number of cattle and their weight

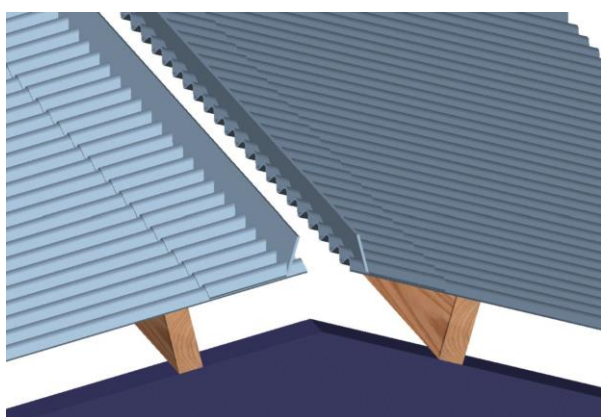
When purchasing a new building you should ensure that your supplier is aware that the building is to be used to house livestock, they will then be bound to ensure that it meets the ventilation performance required under BS5532.

Where improvements are being made to an existing building DEFA has a 'ready reckoner' that can calculate the required inlet and outlet areas.

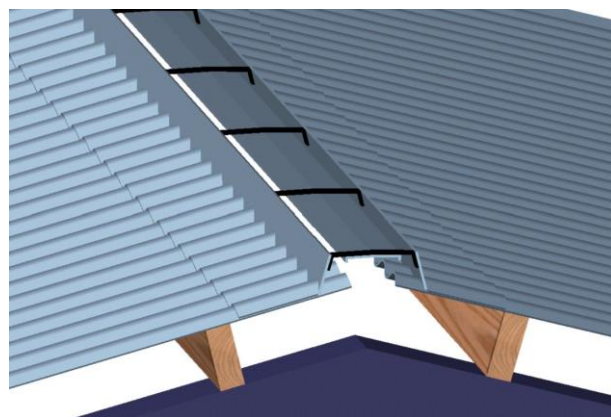
TYPES OF ROOF VENTILATION

Examples of ridge design that in most cases **will** provide adequate ventilation:

Open Ridge:



Protected open ridge:



Ventilated crown crank ridges although still commonly fitted to agricultural buildings are **not suitable** as they only offer around 20% of the required outlet.

Buildings fitted with Crown Crank ridges can often be easily modified by either retro fitting an open ridge, fitting a baton under the crank or putting a series of holes in the roof adjacent to the ridge

Further guidance on livestock building ventilation can be found on our website here: www.gov.im/agandfishgrantscheme

APPENDIX I - RATES OF SUPPORT

AGRICULTURAL PRODUCTION BUSINESS

Provision or <i>improvement</i> of fixed disposal facilities for the handling, storage and treatment of agricultural effluents and waste.	
Schedule/ Number	A maximum rate of Rate
1/01	Standard A maximum rate of 50% Young Farmer A maximum rate of 60%
<p>All structures should comply with BS5502 part 50 '<i>Code of practice for design and construction of storage tanks and reception pits for livestock slurry</i>'.</p> <p>If you are seeking support on internal fixtures for an existing building, where livestock are to be housed, then the building must be fitted with a protected or open protected ventilated ridge or permanent equivalent to the satisfaction of the Department.</p> <p>Eligible works include;</p> <ul style="list-style-type: none"> • Above and below ground sealed storage tanks for effluent or slurry and facilities for collecting and storing silage effluents. A minimum of 4 month storage capacity is required for livestock slurry stores or dung-steeds unless a Nutrient Management Plan can demonstrate that lesser storage capacity would not result in a pollution risk; • dung-steeds - which should have at least two retaining walls (block walls are ineligible) and include provision for collecting liquid seepage to prevent pollution; • slurry ramps; • underfloor storage - including tanks, vaults under slatted floors and the slatted floors themselves. Treatment systems - including pipework for conveying effluent into a storage or treatment facility, channels and other integral equipment - e.g. pumps, augers, stirrers, agitators and separators; • rainwater run-off facilities - including gutters, diversion channels, roofs over feed areas and collecting areas. The feed/collecting area must have been in existing use for the immediately preceding five years, to qualify for 50%/60% grant; • automatic scraper systems; • dirty water irrigation systems; and • safety fencing. 	

Provision of facilities for the safe storage and disposal of agricultural fuels.	
Schedule/ Number	Rate
1/02	Standard A maximum rate of 40% Young Farmer A maximum rate of 50%
<p>Tanks must be sited in accordance with the '<i>Code of Good Agricultural Practice for the Protection of Water</i>'.</p> <p>Eligible works include;</p> <p>tanks – including proprietary bunded tanks with integral fuel lift pumps; and tanks within bunded walls.</p>	

Provision or <i>improvement</i> of permanent agricultural buildings	
Intended for the storage of grain:	
Schedule/ Number	Rate
1/03a	Standard A maximum rate of 40% Young Farmer A maximum rate of 50%
<p>Grain stores should be designed to BS5502 part 74 '<i>Code of Practice for the design and construction of bins and silos for combinable crops</i>'.</p> <p>Grain storage facilities must be weatherproof and have solid floors and walls, to prevent contamination and with entry points secured.</p> <p>Eligible items include;</p> <ul style="list-style-type: none"> • Circular sealed grain towers/silos made of glass fused or enamelled steel with "thrust" resistant walls; • renewal of the concrete base and the addition of more "rings"; and • bulk grain stores specifically designed for the storage of grain. <p>Items not eligible are;</p> <ul style="list-style-type: none"> • grain equipment - blowers, driers and augers. 	

Provision or <i>improvement</i> of permanent agricultural buildings	
For cattle, sheep, pigs and goats including internal fittings.	
Schedule/ Number	Rate
1/03b	Standard A maximum rate of 35% Young Farmer A maximum rate of 45%
<p>Kit buildings must comply with BS5502 class 2.</p> <p>NB. If you are seeking support on internal fixtures for an existing building, where livestock are to be housed, then the building must be fitted with a protected or open protected ventilated ridge or permanent equivalent to the satisfaction of the Department.</p> <p>Construction of new cattle, sheep and pig buildings including internal fittings which attract grant at the same rate for the building itself.</p> <p>Eligible works include:</p> <ul style="list-style-type: none"> • alteration of an existing roof ridge to a protected or open protected ventilated ridge • floors – can be concrete including kerbs, damp-proof membranes, dung channels, slats and attract grant at the building rate; • external walls – include doors, (sliding or fixed), gates, windows and insulation. They can be made of concrete, concrete block – dependent upon intended use; • feed barriers internal or externally attached; • external roof – can be insulated, have roof lights and ventilation; • ground preparation (excluding the demolition of any existing structure); • electric supply; • fixed water troughs; • internal penning and gates; • sealed grain bin; • cubicle divisions; and • fixed feed troughs. <p>Items not eligible are;</p> <ul style="list-style-type: none"> • general maintenance and repair. <p>Buildings must have a design life of at least 20 years and satisfy all relevant statutory requirements and must enable you to comply with the relevant code of Recommendations for the Welfare of Livestock.</p> <p>If you choose to erect the building yourself, the Department will require you to produce satisfactory evidence that the construction is safe and durable.</p> <p>For further information on suitable ventilation for livestock buildings, please refer to our additional guidance document you can find on our webpage here: www.gov.im/agandfishgrantscheme</p>	

Provision or <i>improvement</i> of permanent agricultural buildings	
Dairy and parlour buildings including wall coverings and associated collecting yards, including internal fittings	
Schedule/ Number	Rate
1/03c	Standard A maximum rate of 35% Young Farmer A maximum rate of 45%
<p>Eligible works include:</p> <ul style="list-style-type: none"> • Construction of new dairies and parlours including approved* wall coverings and necessary rendering; and • internal ceiling – which forms part of the main structure (i.e. attached to tie beams). <p>*To check approval - please contact the Food Safety Team at DEFA on 685835.</p>	

Provision or <i>improvement</i> of permanent agricultural buildings	
Intended for poultry production, including internal fixtures but excluding battery cage production.	
Schedule/ Number	Rate
1/03d	Standard A maximum rate of 35% Young Farmer A maximum rate of 45%
Buildings for non-intensive poultry production – either fixed or mobile. The exact specification will depend on the type of system. <ul style="list-style-type: none"> perchery – requires maximum of 25 birds/m² with 15 cm perch space/bird; and deep litter – requires maximum of 7 birds/m² with at least 1/3 of the floor area covered with litter; All houses should have insulated roofs and walls and sufficient lights to maintain a constant length of day and be evenly distributed. There must be a minimum of 1 feeder/25 birds and 1 nest box/5 birds. Hens should have access to a minimum of 4 rotational paddocks, with a maximum density of 400 birds/acre and the area adequately fenced and sheltered from the elements.	

Provision or <i>improvement</i> of internal fittings for livestock buildings	
For cattle, sheep, pigs and goats including internal fittings.	
Schedule/ Number	Rate
1/04	Standard A maximum rate of 35% Young Farmer A maximum rate of 45%
<p>NB. If you are seeking support on internal fixtures for an existing building, where livestock are to be housed, then the building must be fitted with a protected or open protected ventilated ridge or permanent equivalent to the satisfaction of the Department.</p> <p>Construction of new cattle, sheep and pig buildings including internal fittings which attract grant at the same rate for the building itself.</p> <p>Eligible works include:</p> <ul style="list-style-type: none"> alteration of an existing roof ridge to a protected or open protected ventilated ridge floors – can be concrete including kerbs, damp-proof membranes, dung channels, slats and attract grant at the building rate; external walls – include doors, (sliding or fixed), gates, windows and insulation. They can be made of concrete, concrete block – dependent upon intended use; feed barriers internal or externally attached; external roof – can be insulated, have roof lights and ventilation; ground preparation (excluding the demolition of any existing structure); electric supply; fixed water troughs; internal penning and gates; sealed grain bin; cubicle divisions; and fixed feed troughs. <p>Items not eligible are;</p> <ul style="list-style-type: none"> general maintenance and repair. <p>Buildings must have a design life of at least 20 years and satisfy all relevant statutory requirements and must enable you to comply with the relevant code of Recommendations for the Welfare of Livestock.</p> <p>If you choose to undertake the work yourself, the Department will require you to produce satisfactory evidence that the construction is safe and durable.</p>	

Provision or <i>improvement</i> of internal fittings for agricultural production storage buildings	
Schedule/ Number	Rate
1/05	Standard A maximum rate of 30% Young Farmer A maximum rate of 40%
Construction of buildings for the storage of agricultural produce. Includes electric supply. Kit buildings should comply with BS5502 class 2.	

Provision or <i>improvement</i> of permanent structures intended for the ensiling of grass.	
Schedule/ Number	Rate
1/06	Standard A maximum rate of 40% Young Farmer A maximum rate of 50%
<p>All silos must be constructed to BS5502 part 75 and the Department will require documentary proof (e.g. architect plan) before work is started that the design meets this criteria. All silage clamps must have a concrete floor. They must also make provision for effluent collection and disposal and this work will attract the enhanced 50%/60% grant rate.</p> <p>Eligible items include:-</p> <ul style="list-style-type: none"> • concrete walled silage clamps; and • re-surfacing of floors, with prescribed concrete mix - including all necessary expansion joints and water stops. 	

Provision of purpose-built containers or stores for agri-chemicals and medicines.	
Schedule/ Number	Rate
1/07	Standard A maximum rate of 40% Young Farmer A maximum rate of 50%
<p>Structures and cabinets should comply with BS5502 part 81 '<i>Code of practice for the design and construction of chemical stores</i>'.</p> <p>Only purpose-built or proprietary stores, clearly identified with hazard warning signs are eligible for grant. The Department will require to be satisfied that such stores are dry, properly lit, well ventilated and resistant against fire and frost. Stores must be bunded or have other environmental protection measures such as a sump to accommodate 110% of the maximum anticipated storage requirement.</p>	

Provision or <i>improvement</i> of pens, dips, crushes or other facilities, including mobile equipment, designed and intended for use in connection with the gathering, treatment, management or handling of livestock.	
Schedule/ Number	Rate
1/08	Standard A maximum rate of 40% Young Farmer A maximum rate of 50%
<p>The grant covers the provision, replacement or improvement of facilities, to assist in the handling, management, marking, dipping and ear tagging of animals.</p> <p>Eligible items include:-</p> <ul style="list-style-type: none"> • permanently fixed, or mobile cattle crushes; • permanently sited or mobile sorting pens and sorting gates; • concrete standings - which will attract 50% grant or 60% grant provided the standing incorporates an approved means of slurry or solid manure collection; • fixed or mobile sheep dippers (excluding sprays); • livestock weighing equipment; • electronic data capture equipment. <p>Livestock trailers are not eligible for grant.</p>	

Provision or <i>improvement</i> of permanent boundary fences and gates.	
Schedule/ Number	Rate
1/09	Standard A maximum rate of 20% Young Farmer A maximum rate of 30%
<p>Only boundary fencing between neighbours, against main roads, bridle paths and footpaths and, in certain circumstances, the accepted working farming boundary (e.g. at the top of steep sides of glens, quarries and cliffs), is eligible.</p> <p>Within this context a holding boundary may include tenanted land within different ownerships, or land within a single ownership but different tenancies. The boundary between owned and tenanted land on the same holding is not eligible. Farm lanes and related property boundaries are eligible if the farmer does not have complete control over access to the lane.</p> <p>The minimum acceptable types for grants are:-</p> <ul style="list-style-type: none"> • 4-strand barb; • woven wire and 2-strand woven wire barb-boundary fencing; and <p>Items not eligible are:</p> <ul style="list-style-type: none"> • any hedge cutting or trimming to accommodate the fence; • patching repair or renewal of a few posts and wire; and electric fencing; 	

Provision or <i>improvement</i> of facilities for the supply of water, including the provision, replacement or improvement of facilities for water storage.	
Schedule/ Number	Rate
1/10	Standard A maximum rate of 30% Young Farmer A maximum rate of 40%
<p>The Department pays grant towards permanent facilities for the supply of water to a building / fields. In addition, grant is available for certain permanent facilities for the storage of water.</p> <p>Eligible works include:-</p> <ul style="list-style-type: none"> • connection to a Water Authority mains; • permanently installed underground pipework; • water troughs located in fields; • outdoor storage facilities and • troughs, bowls, taps; and • frost protection works. <p>Items not eligible are portable pipework.</p>	

Provision or <i>improvement</i> of milking and associated equipment, bulk milk tanks and geothermal pumps.	
Schedule/ Number	Rate
1/11	Standard A maximum rate of 35% Young Farmer A maximum rate of 45%
<p>Eligible equipment includes:</p> <ul style="list-style-type: none"> • milk pumps; • pulsator units; • plate coolers; • automatic cluster removers (ACRs); • milk/wash lines; • bulk tanks; • compressors; • Geothermal pumps; • water heaters; • any fixed integral cleaning systems; • recorder points/meters; • stalls, mangers; and • vacuum gates. <p>Items not eligible are the replacement of items on a like for like basis, mobile power washers, and items not relevant to the milking process.</p>	

Provision or <i>improvement</i> of facilities for the supply of electricity for agricultural purposes.	
Schedule/ Number	Rate
1/12	Standard A maximum rate of 30% Young Farmer A maximum rate of 40%
<p>Grant is available for connection of electricity to buildings. Eligible costs include;</p> <ul style="list-style-type: none"> • provision of a three phase supply in place of single phase; • digging of the trench; • all wiring; • ducting; • immobile and fixed electricity generators; and • lights and sockets. 	

Purchase of labels embossed with an approved logo	
Schedule/ Number	Rate
1/13	Standard A maximum rate of 30% Young Farmer A maximum rate of 40%
<p>Only labels which carries the Department's approved logo ("3 Legs") the words "Product of Isle of Man" are eligible for grant. The actual labelling may also carry the producer's own logo if desired.</p>	

HORTICULTURAL PRODUCTION BUSINESS

Provision or <i>improvement</i> of buildings used for horticultural production and glasshouses.		
Schedule/ Number	Rate	
2/14	Standard	A maximum rate of 35%
	Young Farmer	A maximum rate of 45%
<p>Glasshouses - must be at least 1.67m high (to eaves) and more than half of the total area must be of glass or other translucent material. Grant also extends to packing sheds.</p> <p>Eligible work includes:-</p> <ul style="list-style-type: none"> • glass; • any doors, windows and ventilators - including drive motors and control equipment • concrete floor or paths; • any permanent internal walls - which are load bearing or part of the provision of thermal insulation; and • durable plastic clad structures. <p>Work not eligible includes:-</p> <ul style="list-style-type: none"> • glasshouses below the minimum size of 1.67m high; • repair or replacement of glass or plastic. 		

Provision or <i>improvement</i> of internal fittings for horticultural production buildings and glasshouses.		
Schedule/ Number	Rate	
2/15	Standard	A maximum rate of 35%
	Young Farmer	A maximum rate of 45%
<p>Eligible works include:-</p> <ul style="list-style-type: none"> • installation permanently fixed systems capable of raising the temperature by at least 6°C • ventilation systems; • dedicated environment management systems; • insulation; • lighting; • shelving; • fuel storage; • pumps; • safety devices. 		

Provision or <i>improvement</i> of plant or equipment designed and intended for the storage or preparation for market of horticultural produce.		
Schedule/ Number	Rate	
2/16	Standard	A maximum rate of 35%
	Young Farmer	A maximum rate of 45%
<p>Eligible items include;</p> <ul style="list-style-type: none"> • washers/cleaners; • strippers; • benching; • scales; • wrapping machines; and • boxes/crates. 		

Provision or <i>improvement</i> of plant or equipment designed and intended for the irrigation of crops in the open, or in glasshouses.		
Schedule/ Number	Rate	
2/17	Standard	A maximum rate of 35%
	Young Farmer	A maximum rate of 45%
Eligible items include; <ul style="list-style-type: none"> • pipework; • spray lines; • seep hoses; • pumps; • drip or trickle feeders; and • water collection containers, including reservoirs. 		

Provision or <i>improvement</i> of plant or equipment designed and intended for the control of pests and diseases of horticultural produce by non-chemical or biological treatment.		
Schedule/ Number	Rate	
2/18	Standard	A maximum rate of 35%
	Young Farmer	A maximum rate of 45%
Eligible items include spray equipment.		

Provision or <i>improvement</i> of plant or equipment designed and intended for the grading, weighing and sizing of horticultural produce.		
Schedule/ Number	Rate	
2/19	Standard	A maximum rate of 30%
	Young Farmer	A maximum rate of 40%
Eligible equipment includes:- <ul style="list-style-type: none"> • packing tables; and • grading and weighing machines. • shrink wrappers; • automatic bagging machines; and • box staplers and tie machines. 		

Provision of labelling material embossed with an approved logo.		
Schedule/ Number	Rate	
2/20	Standard	A maximum rate of 30%
	Young Farmer	A maximum rate of 40%
Only labelling which carries the Department's approved logo ("3 Legs") within a round circle and the words "Product of Isle of Man" is eligible for grant. The actual labelling can be the outer container or box or individually marked bags or sleeves and can, additionally carry the producer's own logo if desired.		

AGRICULTURAL CONTRACTORS

Provision or <i>improvement</i> of pens, dips, crushes or other facilities, including mobile equipment, designed and intended for use in connection with the gathering, treatment, management or handling of livestock.		
Schedule/ Number	Rate	
3/21	Standard Young Farmer	A maximum rate of 40% A maximum rate of 50%
<p>The grant covers the provision, replacement or improvement of facilities, to assist in the marking, dipping, spraying management and ear tagging of animals. Eligible items include:-</p> <ul style="list-style-type: none"> • Mobile cattle crushes; • Mobile sheep dippers (excluding sprays); and • livestock weighing equipment. <p>Items not eligible are livestock trailers.</p>		

COMMERCIAL BEE KEEPERS

Provision or <i>improvement</i> of hives, separators, extraction equipment, protective clothing, bottles, jars and containers.		
Schedule/ Number	Rate	
4/22	Standard Young Farmer	A maximum rate of 20% A maximum rate of 30%
Excluding queens and sugar.		

PACKAGING

Purchase of Egg boxes embossed with an approved logo		
Schedule/ Number	Rate	
A/1	Standard Young Farmer	A maximum rate of 30% A maximum rate of 40%
<p>Only boxes which carry the Department's approved logo ("3 Legs") the words "Product of Isle of Man" are eligible for grant. The required logo can be in the form of a label as described in 1/13 The actual labelling may also carry the producer's own logo if desired.</p>		

Anything deemed by the Department as eligible for funding which does not fall into paragraphs 1 to 22 shall attract a percentage payment in respect of the total cost calculated by the Department on a case-by-case basis.

APPENDIX II - STANDARD COSTS

Standard costs are designed to help applicants who organise building work themselves and reflect the use of farm or casual labour without allowing for any profit element. Costs are established from the SAC Farm Building Cost Guide and include labour, plant and material costs to carry out work to a certain specification.

The following factors will be used when converting imperial to metric units for the purposes of AFGS:

1 inch = 0.0254 metres 1 foot = 0.3048 metres 1 yard = 0.9144 metres

Farm Buildings

The volatility in the price of building materials has made the production of standard costs for buildings very problematical therefore grants for buildings will be assessed against **Actual** costs. At least two quotes will be required for the purchase of the building and for its erection. Where an applicant chooses to erect a building themselves the lowest erection quote will be used as the basis for calculating the grant due once the building is erected. Should the applicant choose to erect the building themselves the Department would expect, as for anyone carrying out building work, that current Health and Safety requirements must be followed and reserves the right to withhold any grant payment should this not be the case.

The UK Health and Safety Executive is a good source of useful guidance:

https://www.hse.gov.uk/agriculture/topics/building.htm#_New_buildings

Below are standard costs which can be used for frequently undertaken 'own labour' type activity.

Concrete floors / yards	1m ³ produces	Standard cost/m ²
100mm (4")	8.2 m ²	£22
150mm (6")	6.5 m ²	£28

Block walling (inc foundation)	Standard cost/m ²
100mm thick	£52
150mm thick	£60
215mm thick	£82
Reinforcement supplement	£15

Cladding to roof/walls	Standard cost/m ²
Cement fibre sheeting	£32
Galvanised	£26.50
PVC coated steel	£28.50
Spaced Boarding	£32
Yorkshire boarding	£39

Boundary Fencing	Standard cost/m
Woven wire and 2-strand barb wire. Stobs every 3m	£7.30
4-strand barb wire. Stobs every 3m.	£7.30
As above - high tensile. Stobs every 7m.	£6

APPENDIX III – Example Partial Budget (Beef Cattle Shed)

Provide a cost benefit analysis of the proposed projects.		
A. Extra Costs		
Capital cost of building new shed:	£42,000 paid by term loan over a 25 year period. Amortised annual charge to service loan	= £3,612
Additional silage:	55 cattle @ 26kg/hd/day for 180 days (257 tonnes) 257 tonnes @ £10	= £2,570
	45 cows @ 40kg/hd/day for 120 days (108 tonnes) 108 tonnes @ £10	= £1,080
Additional barley/protein:	45 cows @ 4kg/hd/day for 60 days (10800kg) 10.8 tonnes @ £70	= £756
Additional bedding straw:	60 cattle @ 600kg/head 36 tonnes @ £60/tonne	= £2,160
Additional labour	Feeding: 1 person – 0.5 hours/day @ £8/hour Mucking: 1 person – 4 hours/time (2) @ £8/hour	= £720 = £64
	Total Extra Costs	= £10,962
B. Extra Income		
Increased liveweight gain: (40 store cattle)	40 cattle @ 0.2kg/hd/day for 180 days (1440kg) 1440kg @ £1.10/kg	= £1,584
Increased cattle sales: (45 full cows)	45 head @ 100kg (4500kg) 4500kg @ £0.65/kg	= £2,925
	Total Extra Revenue	= £4,509
C. Costs Reduced		
Rented shed for wintering: (15 heifers)	15 heifers 26 weeks @ £7/head/week	= £2,730
Rented shed for wintering: (40 store cattle)	40 head 26 weeks @ £1/head/week	= £1,040
Rented shed for wintering: (40 store cattle)	Annual payment	= £800
Reduced labour: (40 store cattle)	Feeding: 1 person – 1.5 hours/day @ £8/hour Mucking: 2 people – 8 hours/time (2) @ £8/hour	= £2,184 = £256
Reduced feed requirement:	40 head @ 2kg/hd/day less = 14.4 tonnes 14.4 tonnes @ £70/tonne	= £1,008
Reduced feed requirement: (50 cows)	15% above standard 6 tonnes/cow = 1 tonnes 50 tonnes @ £10/tonne	= £500
Reduced labour: (50 cows)	1 person – 1 hour per day @ £8/hour	= £1,440
	Total costs Saved	= £9,958
D. Income Reduced		
N/A		£0

Summary of Partial Budget information

Net benefit from project = (B+C) – (A+D) = (£4,509+£9,958) – (£10,962+£0)

= £3,505 per annum

Net capital investment (after grant): **= £42,000**

Annual return on capital invested = 8.35%

Beyond the financial benefit to the business a number of additional benefits will be gained by the provision of the new shed:

- Improved animal welfare for:
 - Store cattle housed in modern cattle shed
 - Finishing housed at lower stocking rates

- The housing of the store cattle in modern cattle housing will remove the manual handling involved in feeding/bedding of these cattle which will reduce the risk of injury to staff and therefore improved health and safety.

- Reduced out wintering of cows will minimise the impact of the environment

- Effective use of the slurry produced by these cows will reduce fertiliser requirements which will reduce the risk of nitrate leaching.

APPENDIX IV - LABOUR REQUIREMENT

An eligible business must generate at least 900 hours* of agricultural activity per year. Such calculations are made on the basis of standardised labour requirements as agreed between the UK Agriculture and Rural Affairs Departments. The annual labour requirement in hours per annum for various enterprises is shown in the table below:

Enterprise		SMD per unit
Dairy Cows		4
Bulls		3.5
Beef Cows	Lowland	1.35
	Upland	1.68
Cereal Beef	Number Sold	1.9
18 Month Beef	Number Sold	1.6
Finishing Sucker Bred		1.1
Calves to 6 Months	Number Sold	1.2
Ewes and Lambs	Lowland	0.5
	Upland	0.45
Rams		0.5
Winter Finished Store Lambs		0.3
Sows Inc. Weaners to 30kg		2.25
Boars		2
Other bacon pigs		0.25
Poultry	Table Fowl	0.002
	Laying Hens	0.06
	Growing Pullets	0.005
Horses		18
Goats		2.5
Deer		2

A Standard Man Day (S.M.D.) is 8 hours.

Enterprise		SMD per acre
Cereals		0.71
Oilseeds		0.45
Field Beans		0.38
Peas		0.65
Linseed		0.4
Lupins		0.4
Grass Seed		0.57
Potatoes	Early	2.23
	Main Crop	3.74
Grazing		0.16
Re seeding		0.24
Rough Grazing		0.08
Silage	1 Cut	0.65
	2 Cuts	1.13
Silage Bale	1 Cut	0.89
	2 Cuts	1.46
Hay	Own Use	0.57
	Sale	0.73
Forage Maize		0.65
Fodder Crops		0.3
Fodder Beet		1.3
Outdoor Veg and Salads		2.02
Top and Soft Fruit		9.71
Mushrooms		145.69

SMD figures from the John Nix Pocketbook 51st edition, published September 2020.

Note that for grazing livestock, the S.M.D.s per head **excludes** field work, e.g. grass production and silage making, i.e. the labour for these has to be added to give total labour for these enterprises.

APPENDIX V – ASSESSMENT CRITERIA

A maximum number of points are associated with each criterion. Maximum points will only be awarded where the applicant's compliance with the requirement is HIGH. Applicants may qualify under one or more criteria within a section.

Description	Manx Points	Assessment Criteria	Points Allocated
Activities which are likely to improve the efficiency of the Manx food chain. (Applicants must meet at least one of criteria in this section.)			
Meets local market requirements.	20	Evidence of local route to market, either via established marketing association, other processor or direct to end customer	
Improves the viability of a Manx processing facility.	20	Complements the strategic need	
	20	Adds value to product range	
Increases the diversity of local food offering.	20	Is a new product	
	20	Addresses short-fall in local capacity	
	20	Replaces imports	
Improved efficiency.	10	reduce costs	
	10	improve efficiency	
	10	increase return from the market	
	10	appropriate use of new technology	
	10	Improve management information	
Improve animal health and welfare	20	improved handling/treatment facilities	
	10	improved housing	
	10	adoption of new technology	
<i>Animal welfare claims must be supported by a farm-specific Health Plan prepared by a proficiency advisor which identifies investment as a priority.</i>			
Reduce energy usage	10	Claims must be supported by an energy audit.	
Improve the management of manures/farm nutrients	50	Address pollution issues	
	40	Reduce rain water in manure volume	
	20	Increased storage capacity	
<i>Claims to improve the management of manures/farm nutrients must be supported by a nutrient management plan and associated saving.</i>			
Improve water resource management.	50	Reduce reliance on surface water	
	30	Improved irrigation efficiency	
	10	Reduce reliance on 'Tap' water	
Additional Positive Indicators			
	10	Applicant is a Young Farmer as defined under the AFGS	
	20	Provides genuine opportunities for new entrants or family succession	
Project can be delivered below Govt. Standard Costs:	5	10% below	
	10	20% below	
Negative Indicators			
	-50	Frustrates established DEFA policies, aims or objectives	
	-50	Outcome is unquantifiable or unduly speculative	
Project has been the subject of a previously approved application for which a valid claim has not been submitted by the due date.			
	-30	Once	
	-50	Twice	