



# Agriculture Act 1986

## 1986 CHAPTER 49

An Act to make further provision relating to agriculture and agricultural and other food products, horticulture and the countryside; and for connected matters. [25th July 1986]

Be it enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

**Modifications etc. (not altering text)**

C1 Act: transfer of certain functions (1.7.1999) by [S.I. 1999/672](#), [art. 2](#), [Sch. 1](#)

### *Provision of agricultural services and goods*

#### **1 Provision of services and goods connected with agriculture and countryside.**

- (1) The Minister may make provision for the supply to any person of any services or goods relating to—
  - (a) the production and marketing of agricultural produce and other food;
  - (b) the conservation and enhancement of the natural beauty and amenity of the countryside; or
  - (c) any other agricultural activity or other enterprise of benefit to the rural economy.
- (2) The provision which may be made under this section includes, in particular, provision for—
  - (a) the giving of information, advice, instruction and training;
  - (b) the undertaking of research and development;
  - (c) the examination or testing of any substance;
  - (d) the supply of veterinary services and of goods required for veterinary purposes;

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*Changes to legislation:* There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)

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- (e) the performance of any service required in connection with the drainage of agricultural land.
- [<sup>F1</sup>(3) The provision which may be made under this section includes provision for any services or goods mentioned in subsection (1) above to be supplied—
  - (a) through any person with whom the Minister enters into a contract for the making of the supply; or
  - (b) through any organisation established by him for the purposes of this section.]
- (4) Any services or goods provided by virtue of this section may be provided free of charge or for such reasonable charge as the Ministers may determine.
- (5) For the purposes of this section the conservation of the natural beauty of the countryside includes the conservation of flora and fauna and geological and physiographical features.
- (6) In this section—
  - “agriculture” has the same meaning as in the <sup>M1</sup>Agriculture Act 1947;
  - “food” has the same meaning as in the [<sup>F2</sup>Food Safety Act 1990]; and
  - “the Minister” means—
    - (a) in relation to services or goods provided in England, the Minister of Agriculture, Fisheries and Food; and
    - (b) in relation to services or goods provided in Wales, the Secretary of State,

#### Textual Amendments

- F1** S. 1(3) substituted (3.1.1995) by 1994 c. 40, ss. 76, 82(2), **Sch. 16 para. 14**.
- F2** Words substituted by Food Safety Act 1990 (c. 16, SIF 53:1, 2), ss. 54, 59(1), **Sch. 3 para. 35**

#### Modifications etc. (not altering text)

- C2** S. 1(4): power to transfer certain functions conferred (27.12.1999) by S.I. 1999/3141, arts. 2(1)(5), 3, **Sch.**

#### Marginal Citations

- M1** 1947 c. 48.

*Fees and charges to meet costs of statutory functions connected with agriculture*

## 2 Fees under seeds regulations.

In section 16 of the <sup>M2</sup>Plant Varieties and Seeds Act 1964 (seeds regulations) after subsection (5) there shall be inserted—

- “(5A) In determining any fees to be charged under seeds regulations the Minister may have regard to the costs incurred by him in connection with the enforcement of the regulations.”.

*Changes to legislation: There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)*

#### Marginal Citations

M2 1964 c. 14.

### 3 Fees and charges under Plant Health Act 1967.

After section 4 of the <sup>M3</sup>Plant Health Act 1967 there shall be inserted the following section—

#### “4A Charges in connection with import and export licences and certificates.

Without prejudice to section 4(1) above, an order under this Act may impose such reasonable fees or other charges as the competent authority may, with the consent of the Treasury, prescribe—

- (a) in connection with applications for and the issue of any licence or certificate which may be issued in pursuance of such an order in connection with the import or export of any article; and
- (b) in respect of the performance by the authority of any service without the performance of which any requirement for the issue of such a licence or certificate would not be met.”.

#### Marginal Citations

M3 1967 c. 8.

#### *Agricultural marketing*

### <sup>F3</sup>4 Constitution and functions of Home-Grown Cereals Authority.

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#### Textual Amendments

F3 Ss. 4-7 repealed (1.4.2008) by [The Agriculture and Horticulture Development Board Order 2008 \(S.I. 2008/576\)](#), art. 1(3), [Sch. 5 para. 7](#) (with [Sch. 4 para. 10](#))

### <sup>F3</sup>5 Levies under Cereals Marketing Act 1965.

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#### Textual Amendments

F3 Ss. 4-7 repealed (1.4.2008) by [The Agriculture and Horticulture Development Board Order 2008 \(S.I. 2008/576\)](#), art. 1(3), [Sch. 5 para. 7](#) (with [Sch. 4 para. 10](#))

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**F<sup>3</sup>6      Extension of Cereals Marketing Act 1965 to new cereals and other crops.**

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**Textual Amendments**

- F3**    Ss. 4-7 repealed (1.4.2008) by [The Agriculture and Horticulture Development Board Order 2008 \(S.I. 2008/576\)](#), art. 1(3), **Sch. 5 para. 7** (with Sch. 4 para. 10)

**Modifications etc. (not altering text)**

- C3**    S. 6: power to transfer certain functions conferred (27.12.1999) by [S.I. 1999/3141](#), arts. 2(1)(5), 3, **Sch.**

**F<sup>3</sup>7      Constitution and levy schemes of Meat and Livestock Commission**

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**Textual Amendments**

- F3**    Ss. 4-7 repealed (1.4.2008) by [The Agriculture and Horticulture Development Board Order 2008 \(S.I. 2008/576\)](#), art. 1(3), **Sch. 5 para. 7** (with Sch. 4 para. 10)

**F<sup>4</sup>8      Constitution and funding of Food from Britain**

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**Textual Amendments**

- F4**    S. 8 repealed (18.7.2014) by [The Public Bodies \(Abolition of Food from Britain\) Order 2014 \(S.I. 2014/1924\)](#), art. 1(3), **Sch.**

**F<sup>5</sup>9      Abolition of Eggs Authority.**

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**Textual Amendments**

- F5**    S. 9 repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), **Sch. 1 Pt. 2** Group 1

**Modifications etc. (not altering text)**

- C4**    S. 9: power to transfer certain functions conferred (27.12.1999) by [S.I. 1999/3141](#), arts. 2(1)(5), 3, **Sch.**

**F<sup>6</sup>10     Repeal of certain ministerial powers concerning eggs.**

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*Changes to legislation: There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)*

#### Textual Amendments

**F6** [S. 10](#) repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 2](#) Group 1

### 11 Consolidation of agricultural marketing schemes.

After paragraph 5 of Schedule 1 to the <sup>M4</sup>Agricultural Marketing Act 1958 (amendment and revocation of agricultural marketing schemes) there shall be inserted—

- “5A (1) Where the Minister considers it appropriate to do so he may—
- (a) prepare a consolidation of any scheme as it has effect with amendments (“the amended scheme”); and
  - (b) by order revoke the amended scheme and approve the consolidated scheme.
- (2) An order made by virtue of this paragraph—
- (a) shall state that it is made only for the purposes of consolidation; and
  - (b) may contain such transitional and consequential provision as the Minister considers necessary or expedient.”.

#### Marginal Citations

**M4** [1958 c. 47](#).

### <sup>F7</sup>12 Validation of Apple and Pear Development Council orders.

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#### Textual Amendments

**F7** [S. 12](#) repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 2](#) Group 1

#### *Compensation to tenants for milk quotas*

### 13 Compensation to outgoing tenants for milk quota.

Schedule 1 to this Act shall have effect in connection with the payment to certain agricultural tenants on the termination of their tenancies of compensation in respect of milk quota (within the meaning of that Schedule).

#### Modifications etc. (not altering text)

**C5** [S. 13](#) excluded (1.9.1995) by [1995 c. 8, ss. 16\(3\), 41\(2\)](#) (with [s. 37](#)).

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*Changes to legislation:* There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)

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**F8 14 Compensation to outgoing tenants for milk quota: Scotland.**

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**Textual Amendments**

- F8** S. 14 repealed (S.) (28.2.2019) by [The Environment, Food and Rural Affairs \(Miscellaneous Amendments and Revocations\) \(Scotland\) Regulations 2018 \(S.S.I. 2018/391\)](#), reg. 1(1), **sch. Pt. 1**

**15 Rent arbitrations: milk quotas.**

- (1) Where there is a reference under section 12 of the <sup>M5</sup>Agricultural Holdings Act 1986 (arbitration of rent) in respect of land which comprises or is part of a holding in relation to which quota is registered under the <sup>M6</sup>Dairy Produce Quotas Regulations 1986 which was transferred to the tenant by virtue of a transaction the cost of which was borne wholly or partly by him, the arbitrator shall (subject to any agreement between the landlord and tenant to the contrary) disregard—
  - (a) in a case where the land comprises the holding, any increase in the rental value of the land which is due to that quota (or, as the case may be, the corresponding part of that quota); or
  - (b) in a case where the land is part of the holding, any increase in that value which is due to so much of that quota (or part) as would fall to be apportioned to the land under those Regulations on a change of occupation of the land.
- (2) In determining for the purposes of this section whether quota was transferred to a tenant by virtue of a transaction the cost of which was borne wholly or partly by him—
  - (a) any payment made by the tenant in consideration for the grant or assignment to him of the tenancy or any previous tenancy of any land comprised in the holding, shall be disregarded;
  - (b) any person who would be treated under paragraph 2, 3 or 4 of Schedule 1 to this Act as having had quota transferred to him or having paid the whole or part of the cost of any transaction for the purposes of a claim under that Schedule shall be so treated for the purposes of this section; and
  - (c) any person who would be so treated under paragraph 4 of that Schedule if a sub-tenancy to which his tenancy is subject had terminated, shall be so treated for the purposes of this section.
- (3) In this section—
 

“quota” and “holding” have the same meanings as in the <sup>M7</sup>Dairy Produce Quotas Regulations 1986;

“tenant” and “tenancy” have the same meanings as in the <sup>M8</sup>Agricultural Holdings Act 1986.
- (4) Section 95 of that Act (Crown land) applies to this section as it applies to the provisions of that Act.

**Marginal Citations**

- M5** 1986 c. 5.  
**M6** S.I. 1986/470.  
**M7** S.I. 1986/470.

*Changes to legislation:* There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)

M81986 c. 5.

<sup>F9</sup>**16 Rent arbitrations: milk quotas, Scotland.**

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**Textual Amendments**

**F9** S. 16 repealed (S.) (28.2.2019) by [The Environment, Food and Rural Affairs \(Miscellaneous Amendments and Revocations\) \(Scotland\) Regulations 2018 \(S.S.I. 2018/391\)](#), reg. 1(1), **sch. Pt. 1**

*Conservation*

**17 Duty to balance interests in exercise of agricultural functions.**

- (1) In discharging any functions connected with agriculture in relation to any land the Minister shall, so far as is consistent with the proper and efficient discharge of those functions, have regard to and endeavour to achieve a reasonable balance between the following considerations—
- (a) the promotion and maintenance of a stable and efficient agricultural industry;
  - (b) the economic and social interests of rural areas;
  - (c) the conservation and enhancement of the natural beauty and amenity of the countryside (including its flora and fauna and geological and physiographical features) and of any features of archaeological interest there; and
  - (d) the promotion of the enjoyment of the countryside by the public.
- (2) In this section—
- “agriculture” has the same meaning as in the <sup>M9</sup>Agriculture Act 1947 or, in Scotland, the <sup>M10</sup>Agriculture (Scotland) Act 1948; and
  - “the Minister” means—
- (a) in relation to land in England, the [<sup>F10</sup>Secretary of State]<sup>F10</sup> ; and
  - (b) in relation to land in Wales or Scotland, the Secretary of State.

**Textual Amendments**

**F10** Words in s. 17(2) in definition of "the Minister" substituted (27.3.2002) by [The Ministry of Agriculture, Fisheries and Food \(Dissolution\) Order 2002 \(S.I. 2002/794\)](#), art. 5(1), **Sch. 1 para. 28** (with arts. 5(3), 6)

**Modifications etc. (not altering text)**

**C6** S. 17 explained by [Farm Land and Rural Development Act 1988 \(c. 16, SIF 2:1\)](#), s. 4(2)

**Marginal Citations**

**M9** 1947 c. 48.

**M10** 1948 c. 45.

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## 18 Designation and management of environmentally sensitive areas.

(1) If it appears to the Minister that it is particularly desirable—

- (a) to conserve and enhance the natural beauty of an area;
- (b) to conserve the flora or fauna or geological or physiographical features of an area; or
- (c) to protect buildings or other objects of archaeological, architectural or historic interest in an area,

and that the maintenance or adoption of particular agricultural methods is likely to facilitate such conservation, enhancement or protection, he may, with the consent of the Treasury and after consulting the persons mentioned in subsection (2) below as to the inclusion of the area in the order and the features for which conservation, enhancement or protection is desirable, by order designate that area as an environmentally sensitive area.

(2) The persons referred to in subsection (1) above are—

- (a) in the case of an area in England, <sup>F11</sup>... [<sup>F12</sup>Natural England];
- (b) in the case of an area in Wales, [<sup>F13</sup>the Natural Resources Body for Wales]; and
- [<sup>F14</sup>(c) in the case of an area in Scotland, Scottish Natural Heritage.]

(3) If the Minister considers that any of the purposes mentioned in paragraphs (a) to (c) of subsection (1) above is likely to be facilitated in a designated area by doing so, he may make an agreement with any person having an interest in agricultural land in, or partly in, the area by which that person agrees in consideration of payments to be made by the Minister to manage the land in accordance with the agreement.

(4) An order under this section designating an area may specify—

- (a) the requirements as to agricultural practices, methods and operations and the installation or use of equipment which must be included in agreements under subsection (3) above as respects land in the area;
- [<sup>F15</sup>(aa) the requirements as to public access which may be included in such agreements]
- (b) the period or minimum period for which [<sup>F16</sup>requirements included in such agreements under paragraph (a) or paragraph (aa) above must be imposed];
- (c) the provisions which must be included in such agreements concerning the breach of such requirements; and
- (d) the rates or maximum rates at which payments may be made by the Minister under such agreements and the matters in respect of which such payments may be made.

[<sup>F17</sup>(4A) Where the Minister considers it necessary for the purposes of Article 10 or 20 of Commission Regulation (EC) No. 746/96 (aid for agricultural production methods compatible with protection of the environment: combination of aids, and penalties), an agreement under subsection (3) may contain—

- (a) provision requiring the payment of penalties to the Minister in the case of breach of the agreement, and
- (b) provision for payments by the Minister to be withheld in specified circumstances.]

(5) Subject to the foregoing provisions of this section, an agreement under subsection (3) above may contain such provisions as the Minister thinks fit and, in particular, such



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provisions as he considers are likely to facilitate such conservation, enhancement or protection as is mentioned in subsection (1) above.

- (6) The Minister shall not make an agreement with any person under subsection (3) above in respect of any land unless that person has certified to the Minister—
- (a) that no person other than he is the owner of the land; or
  - (b) that he has notified any other person who is an owner of the land of his intention to make an agreement under subsection (3) above in respect of the land;

and in this subsection references to the owner of the land are to the estate owner in respect of the fee simple in the land or, in Scotland, [<sup>F18</sup>the owner of the dominium utile].

- (7) The provisions of an agreement under subsection (3) above with any person interested in any land in England or Wales shall, unless the agreement otherwise provides, be binding on persons deriving title under or from that person and be enforceable by the Minister against those persons accordingly.
- (8) Where agreements have been made under subsection (3) above with persons having an interest in land in a designated area the Minister shall arrange for the effect on the area as a whole of the performance of the agreements to be kept under review and shall from time to time publish such information as he considers appropriate about those effects.
- (9) [<sup>F19</sup>In the case of land in Scotland, a liferenter in possession of the land shall have the power to enter into agreements under subsection (3) above relating to, or to any part of, the land.]

[<sup>F20</sup>(9A) The Trusts (Scotland) Act 1921 shall have effect as if among the powers conferred on trustees by section 4 thereof (which relates to the general powers of trustees) there were included a power to enter into agreements under this section relating to the trust estate or any part thereof.]

- (10) This section applies to land an interest in which belongs to Her Majesty in right of the Crown or to the Duchy of Lancaster, the Duchy of Cornwall or a Government department or which is held in trust for Her Majesty for the purposes of a Government department, but no agreement under subsection (3) above shall be made as respects land to which this subsection applies without the consent of the appropriate authority.

- (11) In this section—

“agricultural” has the same meaning as in the <sup>M12</sup>Agriculture Act 1947 or, in Scotland, the <sup>M13</sup>Agriculture (Scotland) Act 1948;

“the appropriate authority” has the same meaning as in section 101(11) of the National Parks and Access to the <sup>M14</sup>Countryside Act 1949;

“the Minister” means—

- (a) in relation to an area in England, the [<sup>F21</sup>Secretary of State]; and
- (b) in relation to an area in Wales or Scotland, the Secretary of State.

- (12) The power to make an order under this section shall be exercisable by statutory instrument and any statutory instrument containing such an order shall be subject to annulment in pursuance of a resolution of either House of Parliament.

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- (13) An Order in Council under paragraph 1(1)(b) of Schedule 1 to the <sup>M15</sup>Northern Ireland Act 1974 (legislation for Northern Ireland in the interim period) which states that it is made only for purposes corresponding to those of this section—
- (a) shall not be subject to paragraph 1(4) and (5) of that Schedule (affirmative resolution of both Houses of Parliament); but
  - (b) shall be subject to annulment in pursuance of a resolution of either House.

#### Textual Amendments

- F11** Words in s. 18(2)(a) repealed (27.3.2002) by [The Ministry of Agriculture, Fisheries and Food \(Dissolution\) Order 2002 \(S.I. 2002/794\)](#), art. 5(2), **Sch. 2** (with art. 6)
- F12** Words in s. 18(2)(a) substituted (1.10.2006) by [Natural Environment and Rural Communities Act 2006 \(c. 16\)](#), s. 107, **Sch. 11 para. 107**; [S.I. 2006/2541](#), art. 2 (with Sch.)
- F13** Words in s. 18(2)(b) substituted (1.4.2013) by [The Natural Resources Body for Wales \(Functions\) Order 2013 \(No. 755\)](#), art. 1(2), **Sch. 2 para. 185** (with Sch. 7)
- F14** S. 18(2)(c) substituted (1.4.1992) by [Natural Heritage \(Scotland\) Act 1991 \(c. 28, SIF 46:1\)](#), s. 27(1), **Sch. 10 para. 12**; [S.I. 1991/2633](#), art. 4
- F15** S. 18(4)(aa) inserted (1.3.1994) by [S.I. 1994/249](#), **reg. 2(a)**.
- F16** Words in s. 18(4)(b) substituted (1.3.1994) by [1994/249](#), reg. 2(b).
- F17** S. 18(4A) inserted (1.7.1997) by [S.I. 1997/1457](#), **reg. 2**.
- F18** Words in s. 18(6) substituted (25.9.1991) by [Agricultural Holdings \(Scotland\) Act 1992 \(c. 55, SIF 2:3\)](#), ss. 88(1), 89(2), **Sch. 11 para. 45** (with s. 45(3), Sch. 12 para. 3)
- F19** S. 18(9) substituted (S.) (1.4.2019) by [The Forestry and Land Management \(Scotland\) Act 2018 \(Consequential Amendments\) Regulations 2019 \(S.S.I. 2019/125\)](#), regs. 1(2), **6(2)**
- F20** S. 18(9A) inserted (S.) (1.4.2019) by [The Forestry and Land Management \(Scotland\) Act 2018 \(Consequential Amendments\) Regulations 2019 \(S.S.I. 2019/125\)](#), regs. 1(2), **6(3)**
- F21** Words in s. 18(11) in the definition of "the Minister" substituted (27.3.2002) by [The Ministry of Agriculture, Fisheries and Food \(Dissolution\) Order 2002 \(S.I. 2002/794\)](#), art. 5(1), **Sch. 1 para. 29** (with arts. 5(3), 6)

#### Marginal Citations

- M11** 1967 c. 10.  
**M12** 1947 c. 48.  
**M13** 1948 c. 45.  
**M14** 1949 c. 97.  
**M15** 1974 c. 28.

### 19 Supplementary provisions regarding agreements under s.18(3) in Scotland.

- (1) Where a person having an interest of a kind described in section 18(3) above in land in Scotland, being an interest which enables him to bind the land, enters into an agreement under that subsection—
- (a) where the land is registered in the Land Register of Scotland, the agreement may be registered in that Register;
  - (b) in any other case the agreement may be recorded in the appropriate Division of the General Register of Sasines.
- (2) An agreement registered or recorded under subsection (1) above shall be enforceable at the instance of the Secretary of State against persons deriving title to the land (including any person acquiring right to a tenancy by assignation or succession) from the person who entered into the agreement; provided that such an agreement shall not

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*Changes to legislation:* There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)

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be enforceable against a third party who shall have in good faith and for value acquired right (whether completed by infestment or not) to the land prior to the agreement being registered or recorded as aforesaid, or against any person deriving title from such third party.

- (3) Notwithstanding the terms of any agreement registered or recorded under subsection (1) above, the parties to the agreement or any persons deriving title from them may at any time agree to terminate it; and such an agreement to terminate it shall be registered or recorded in the same manner as was the original agreement.
- (4) A grazings committee appointed under section 24 of [<sup>F22</sup>the 1955 Act] may, with the consent of a majority of the crofters ordinarily resident in the township, enter into an agreement under section 18(3) above in relation to any part of the common grazings and may agree to the revocation or variation of any such agreement, and such agreement, revocation or variation shall be binding upon all their successors.
- (5) In the case of an agreement of a kind referred to in subsection (4) above, the payments by the Secretary of State shall be made to the grazings committee and shall be applied by them either—
  - (a) by division among the crofters who share in the common grazings in proportion to their respective rights therein; or
  - (b) subject to subsection (6) below, in carrying out works for the improvement of the common grazings or the fixed equipment required in connection therewith.
- (6) A grazings committee to whom such a payment as is referred to in subsection (5) above has been made and who are proposing to apply the payment in carrying out works in accordance with paragraph (b) of that subsection shall give notice in writing to each crofter sharing in the common grazings of their proposals: and any such crofter may within one month of the date of such notice make representations in respect of the proposals to the Crofters Commission who may approve them with or without modifications or reject them.
- (7) “Crofter” and other expressions used in any of subsections (4) to (6) above and in section 3 of the Crofters (Scotland) Act 1955 have the same meaning in this section as they have in that section as read with section 15(6) of the <sup>M16</sup>Crofters (Scotland) Act 1961.

#### Textual Amendments

**F22** Words in s. 19(4) substituted (25.9.1991) by [Agricultural Holdings \(Scotland\) Act 1991 \(c. 55, SIF 2:3\)](#), ss. 88(1), 89(2), **Sch. 11 para. 46** (with s. 45(3), [Sch. 12 para. 3](#))

#### Marginal Citations

**M16** [1961 c. 58](#).

## 20 EEC farm grants relating to areas of special scientific interest or National Parks etc.

- (1) The provisions of this section shall have effect for the purpose of amending certain provisions of the <sup>M17</sup>Wildlife and Countryside Act 1981 which apply to grants under schemes made under section 29 of the <sup>M18</sup>Agriculture Act 1970 so as to apply them to certain agricultural grants under regulations made under section 2(2) of the <sup>M19</sup>European Communities Act 1972.

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*Changes to legislation:* There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)

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- (2) In subsection (1) of section 32 of the said Act of 1981 (duties of agriculture Ministers to exercise functions so as to further conservation where applications are made to them for grants under such schemes with respect to areas of special scientific interest)—
- (a) for the words “a grant under a scheme made under section 29 of the Agriculture Act 1970 (farm capital grants)” there shall be substituted the words “a farm capital grant”; and
  - (b) in paragraph (a) for the words “the scheme and section 29 of the said Act of 1970” there shall be substituted the words “the grant provisions”.
- (3) For subsection (3) of that section (definition of “the appropriate Minister”) there shall be substituted—
- “(3) In this section—
- “the appropriate Minister” means the Minister responsible for determining the application;
- “farm capital grant” means—
- (a) a grant under a scheme made under section 29 of the Agriculture Act 1970; or
  - (b) a grant under regulations made under section 2(2) of the European Communities Act 1972 to a person carrying on an agricultural business within the meaning of those regulations in respect of expenditure incurred or to be incurred for the purposes of or in connection with that business, being expenditure of a capital nature or incurred in connection with expenditure of a capital nature;
- “grant provisions” means—
- (i) in the case of such a grant as is mentioned in paragraph (a) above, the scheme under which the grant is made and section 29 of the Agriculture Act 1970; and
  - (ii) in the case of such a grant as is mentioned in paragraph (b) above, the regulations under which the grant is made and the [F23EU] instrument in pursuance of which the regulations were made.”.
- (4) In subsection (3) of section 41 of the said Act of 1981 (which makes similar provision in relation to land which is in a National Park or an area specified for the purposes of that subsection)—
- (a) for the words “a grant under a scheme made under section 29 of the Agriculture Act 1970 (farm capital grants)” there shall be substituted the words “a farm capital grant”;
  - (b) in paragraph (a) for the words “the scheme and the said section 29” there shall be substituted the words “the grant provisions”.
- (5) In subsection (5) of the said section 41 (definitions) for the definitions of “agricultural business” and “the appropriate Minister” there shall be substituted—
- ““agricultural business” has the same meaning as in section 29 of the Agriculture Act 1970;
- “the appropriate Minister”, “farm capital grant” and “grant provisions” have the same meanings as in section 32;”.

*Changes to legislation:* There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)

- (6) For the definition of “farm capital grant” in subsection (4) of section 50 of that Act (payments under certain agreements offered by authorities where applications for grants under section 29 of the said Act of 1970 are refused) there shall be substituted—  
““farm capital grant” has the same meaning as in section 32;”

#### Textual Amendments

**F23** Words in Act substituted (22.4.2011) by [The Treaty of Lisbon \(Changes in Terminology\) Order 2011 \(S.I. 2011/1043\)](#), arts. 2, 3, 6 (with art. 3(2)(3)4(2)6(4)6(5))

#### Marginal Citations

**M17** 1981 c. 69.  
**M18** 1970 c. 40.  
**M19** 1972 c. 68.

21 ..... **F24**

#### Textual Amendments

**F24** S. 21 repealed by [Rights of Way Act 1990 \(c. 24, SIF 59\)](#), s. 6(4)

### *Farm grants*

22 <sup>F25</sup> **Farm capital grants: ancillary businesses etc.**

- (1) In section 28 of the <sup>M20</sup>Agriculture Act 1970 (interpretation of provisions relating to capital and other grants) at the end of the definition of “agricultural business” there shall be inserted the words “and includes any other business, of a kind for the time being specified by an order made by the appropriate authority, which is carried on by a person also carrying on a business consisting in or partly in the pursuit of agriculture and is carried on on the same or adjacent land”.

- (2) The existing provisions of that section shall become subsection (1) of that section and after that subsection there shall be inserted—

“(2) An order under subsection (1) above shall be made by statutory instrument and any statutory instrument containing such an order shall be subject to annulment in pursuance of a resolution of either House of Parliament.”.

#### Textual Amendments

**F25** S. 22 repealed (N.I.) by [S.I.1987/166 \(N.I. 1\)](#), art.20, Sch.

#### Marginal Citations

**M20** 1970 c. 40.

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*Changes to legislation:* There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)

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### Supplemental

## 23 Financial provisions.

- (1) There shall be paid out of money provided by Parliament—
  - (a) any expenses incurred by a Minister by virtue of this Act; and
  - (b) any increase attributable to this Act in the sums payable out of money so provided under any other Act.
- (2) Any sums received by a Minister under this Act shall be paid into the Consolidated Fund.

[<sup>F26</sup>23A

In this Act—

- “the 1886 Act” means the Crofters Holdings (Scotland) Act 1886;  
 “the 1911 Act” means the Small Landholders (Scotland) Act 1911;  
 “the 1955 Act” means the Crofters (Scotland) Act 1955; and  
 “the 1991 Act” means the Agricultural Holdings (Scotland) Act 1991.]

#### Textual Amendments

**F26** S. 23A inserted (25.9.1991) by [Agricultural Holdings \(Scotland\) Act 1991 \(c. 55, SIF 2:3\)](#), ss. 88(1), 89(2), [Sch. 11 para. 47](#) (with [s. 45\(3\)](#), [Sch. 12 para. 3](#))

## 24 Short title, commencement, consequential amendments, repeals and extent.

- (1) This Act may be cited as the Agriculture Act 1986.
- <sup>F27</sup>(2) .....
- <sup>F27</sup>(3) .....
- (4) The provisions mentioned in Schedule 3 to this Act shall have effect subject to the amendments there specified (being amendments consequential on the provisions of this Act).
- (5) The enactments mentioned in Schedule 4 to this Act (which include some spent provisions) are hereby repealed to the extent specified in the third column of that Schedule.
- (6) Sections 1, 13, 15, 18(7) <sup>F28</sup>... above and Schedule 1 to this Act do not extend to Scotland.
- (7) The provisions of this Act do not extend to Northern Ireland except for sections 4 to 6, <sup>F29</sup>... <sup>F30</sup>... 11, 18(13) and 22, this section and the provisions of Schedules 3 and 4 which affect enactments extending there.

#### Subordinate Legislation Made

- P1** S. 24: power of appointment conferred by s. 24 partly exercised: [S.I. 1986/1484](#), 1485, 1596, 2301  
**P2** S. 24(2): s. 24(2) power exercised by [S.I. 1991/2635](#)  
**P3** S. 24(2) power partly exercised (19.3.1998): 1.4.1998 appointed for specified provision by [S.I. 1998/879](#).

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**Changes to legislation:** There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)

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#### Textual Amendments

- F27** S. 24(2)(3) repealed (18.7.2014) by [The Public Bodies \(Abolition of Food from Britain\) Order 2014 \(S.I. 2014/1924\)](#), [art. 1\(3\)](#), [Sch.](#)
- F28** Words in s. 24(6) repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 2](#) Group 1
- F29** Word in s. 24(7) repealed (18.7.2014) by [The Public Bodies \(Abolition of Food from Britain\) Order 2014 \(S.I. 2014/1924\)](#), [art. 1\(3\)](#), [Sch.](#)
- F30** Words in s. 24(7) repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 2](#) Group 1

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#### Commencement Information

- I1** S. 24 in force in accordance with (2); s. 24(5) partly in force 21.11.1991, see S.I. 1991/2635

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*Changes to legislation: There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)*

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## SCHEDULES

### SCHEDULE 1

Section 13.

#### TENANTS’ COMPENSATION FOR MILK QUOTA

**Modifications etc. (not altering text)**

**C7** Sch. 1 excluded (1.9.1995) by 1995 c. 8, ss. 16(3), 41(2) (with s. 37).

### PART I

#### RIGHT TO COMPENSATION

##### *Tenants’ rights to compensation*

- 1 (1) Subject to the following provisions of this Schedule, where on the termination of the tenancy of any land the tenant has milk quota registered as his in relation to a holding consisting of or including the land, the tenant shall be entitled, on quitting the land, to obtain from his landlord a payment—
  - (a) if the tenant had milk quota allocated to him in relation to land comprised in the holding (“allocated quota”), in respect of so much of the relevant quota as consists of allocated quota; and
  - (b) if the tenant had milk quota allocated to him as aforesaid or was in occupation of the land as a tenant on 2nd April 1984 (whether or not under the tenancy which is terminating), in respect of so much of the relevant quota as consists of transferred quota transferred to him by virtue of a transaction the cost of which was borne wholly or partly by him.
- (2) In sub-paragraph (1) above—
 

“the relevant quota” means—

  - (a) in a case where the holding mentioned in sub-paragraph (1) above consists only of the land subject to the tenancy, the milk quota registered in relation to the holding; and
  - (b) otherwise, such part of that milk quota as falls to be apportioned to that land on the termination of the tenancy;

“transferred quota” means milk quota transferred to the tenant by virtue of the transfer to him of the whole or part of a holding.
- (3) A tenant shall not be entitled to more than one payment under this paragraph in respect of the same land.



*Changes to legislation: There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)*

**Modifications etc. (not altering text)**

- C8** Sch. 1 para. 1 restricted (with effect in accordance with reg. 14(1) of the commencing S.I.) (31.3.2005) by [The Dairy Produce Quotas \(Wales\) Regulations 2005 \(S.I. 2005/537\)](#), regs. 1, **14(4)** (with reg. 3)

*Succession on death or retirement of tenant*

- 2 (1) This paragraph applies where on the termination of the tenancy of any land after 2nd April 1984 a new tenancy of the land or part of the land has been granted to a different tenant (“the new tenant”) and that tenancy—
- (a) was obtained by virtue of a direction under section 39 or 53 of the <sup>M21</sup>Agricultural Holdings Act 1986 (direction for grant of tenancy to successor on death or retirement of previous tenant);
  - (b) was granted (following a direction under section 39 of that Act) in circumstances within section 45(6) of that Act (new tenancy granted by agreement to persons entitled to tenancy under direction); or
  - (c) is such a tenancy as is mentioned in section 37(1)(b) or (2) of that Act (tenancy granted by agreement to close relative).
- (2) Where this paragraph applies—
- (a) any milk quota allocated or transferred to the former tenant (or treated as having been allocated or transferred to him) in respect of the land which is subject to the new tenancy shall be treated as if it had instead been allocated or transferred to the new tenant; and
  - (b) in a case where milk quota is treated under paragraph (a) above as having been transferred to the new tenant, he shall be treated for the purposes of any claim in respect of that quota—
    - (i) as if he had paid so much of the cost of the transaction by virtue of which the milk quota was transferred as the former tenant bore (or is treated as having borne); and
    - (ii) in a case where the former tenant was in occupation of the land on 2nd April 1984 (or is treated as having been in occupation of the land on that date), as if he had been in occupation of it on that date.
- (3) Sub-paragraph (1) above applies in relation to the grant of a new tenancy before the date on which the <sup>M22</sup>Agricultural Holdings Act 1986 comes into force as if the references in that sub-paragraph to sections 39, 53 and 45(6) of that Act were references to section 20 of the <sup>M23</sup>Agriculture (Miscellaneous Provisions) Act 1976, paragraph 5 of Schedule 2 to the <sup>M24</sup>Agricultural Holdings Act 1984 and section 23(6) of the said Act of 1976 respectively.

**Marginal Citations**

- M21** 1986 c. 5.  
**M22** 1986 c. 5.  
**M23** 1976 c. 55.  
**M24** 1984 c. 41.

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*Changes to legislation: There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)*

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### *Assignments*

- 3 Where the tenancy of any land has been assigned after 2nd April 1984 (whether by deed or by operation of law)—
- (a) any milk quota allocated or transferred to the assignor (or treated as having been allocated or transferred to him) in respect of the land shall be treated as if it had instead been allocated or transferred to the assignee; and
  - (b) in a case where milk quota is treated under paragraph (a) above as having been transferred to the assignee, he shall be treated for the purposes of any claim in respect of that quota—
    - (i) as if he had paid so much of the cost of the transaction by virtue of which the milk quota was transferred as the assignor bore (or is treated as having borne); and
    - (ii) in a case where the assignor was in occupation of the land on 2nd April 1984 (or is treated as having been in occupation of the land on that date), as if he had been in occupation of it on that date;
- and accordingly the assignor shall not be entitled to a payment under paragraph 1 above in respect of that land.

### *Sub-tenancies*

- 4 Where the sub-tenancy of any land terminates after 2nd April 1984 then, for the purposes of determining the sub-landlord's entitlement under paragraph 1 above—
- (a) any milk quota allocated or transferred to the sub-tenant (or treated as having been allocated or transferred to him) in respect of the land shall be treated as if it had instead been allocated or transferred to the sub-landlord;
  - (b) in a case where milk quota is treated under paragraph (a) above as having been transferred to the sub-landlord, he shall be treated for the purposes of any claim in respect of that quota—
    - (i) as if he had paid so much of the cost of the transaction by virtue of which the milk quota was transferred as the sub-tenant bore (or is treated as having borne); and
    - (ii) in a case where the sub-tenant was in occupation of the land on 2nd April 1984 (or is treated as having been in occupation of the land on that date), as if he had been in occupation of it on that date;
  - (c) if the sub-landlord does not occupy the land after the sub-tenancy has ended and the sub-tenant has quitted the land, the sub-landlord shall be taken to have quitted the land when the sub-tenant quitted it.

## **PART II**

### AMOUNT OF COMPENSATION PAYABLE

#### *Calculation of payment*

- 5 (1) The amount of the payment to which the tenant of any land is entitled under paragraph 1 above on the termination of his tenancy shall be determined in accordance with the following provisions of this paragraph.
- (2) The amount of the payment to which the tenant is entitled under paragraph 1 above in respect of allocated quota shall be an amount equal—

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*Changes to legislation: There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)*

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- (a) in a case where the allocated quota exceeds the standard quota for the land, to the value of the sum of—
    - (i) the tenant's fraction of the standard quota, and
    - (ii) the amount of the excess;
  - (b) in a case where the allocated quota is equal to the standard quota, to the value of the tenant's fraction of the allocated quota; and
  - (c) in a case where the allocated quota is less than the standard quota, to the value of such proportion of the tenant's fraction of the allocated quota as the allocated quota bears to the standard quota.
- (3) The amount of the payment the tenant is entitled to under paragraph 1 above in respect of transferred quota shall be an amount equal—
- (a) in a case where the tenant bore the whole of the cost of the transaction by virtue of which the transferred quota was transferred to him, to the value of the transferred quota; and
  - (b) in a case where the tenant bore only part of that cost, to the value of the corresponding part of the transferred quota.

*“Standard quota”*

- 6 (1) Subject to the following provisions of this paragraph the standard quota for any land for the purposes of this Schedule shall be calculated by multiplying the relevant number of hectares by the prescribed quota per hectare; and for the purposes of this paragraph—
- (a) “the relevant number of hectares” means the average number of hectares of the land in question used during the relevant period for the feeding of dairy cows kept on the land or, if different, the average number of hectares of the land which could reasonably be expected to have been so used (having regard to the number of grazing animals other than dairy cows kept on the land during that period); and
  - (b) “the prescribed quota per hectare” means such number of litres as the Minister may from time to time by order prescribe for the purposes of this sub-paragraph.
- (2) Where by virtue of the quality of the land in question or climatic conditions in the area the amount of milk which could reasonably be expected to have been produced from one hectare of the land during the relevant period (“the reasonable amount”) is greater or less than the prescribed average yield per hectare, then sub-paragraph (1) above shall not apply and the standard quota shall be calculated by multiplying the relevant number of hectares by such proportion of the prescribed quota per hectare as the reasonable amount bears to the prescribed average yield per hectare; and the Minister shall by order prescribe the amount of milk to be taken as the average yield per hectare for the purposes of this sub-paragraph.
- (3) Where the relevant quota of the land includes milk quota allocated in pursuance of an award of quota made by the Dairy Produce Quota Tribunal for England and Wales [<sup>F31</sup>, or by the Secretary of State or the National Assembly for Wales following the appeals procedure,] which has not been allocated in full, the standard quota for the land shall be reduced by the amount by which the milk quota allocated in pursuance of the award falls short of the amount awarded (or, in a case where only part of the milk quota allocated in pursuance of the award is included in the relevant quota, by the corresponding proportion of that shortfall).

*Changes to legislation: There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)*

- [<sup>F32</sup>(3A) In sub-paragraph (3) above “the appeals procedure” means—
- (a) in England, the appeals procedure established under the Common Agricultural Policy Non-IACS Support Schemes (Appeals) (England) Regulations 2004 ( [S.I. 2004/590](#) ); and
  - (b) in Wales, the appeals procedure established under the Common Agricultural Policy Non-IACS Support Schemes (Appeals) (Wales) Regulations 2004 ( [S.I. 2004/685 \(W.73\)](#) ). ]
- (4) In sub-paragraph (3) above the references to milk quota allocated in pursuance of an award of quota include references to quota allocated by virtue of the amount awarded not originally having been allocated in full.
- (5) In this paragraph—
- (a) references to land used for the feeding of dairy cows kept on the land do not include land used for growing cereal crops for feeding to dairy cows in the form of loose grain; and
  - (b) references to dairy cows are to cows kept for milk production (other than uncalved heifers).
- (6) An order under this paragraph may make different provision for different cases.
- (7) The power to make an order under this paragraph shall be exercisable by statutory instrument and any instrument containing such an order shall be subject to annulment in pursuance of a resolution of either House of Parliament.

#### Textual Amendments

- F31** Words in Sch. 1 para. 6(3) inserted (6.4.2007) by [Dairy Produce \(Miscellaneous Provisions\) Regulations 2007 \(S.I. 2007/477\)](#), regs. 1, [4\(2\)\(a\)](#)
- F32** Sch. 1 para. 6(3A) inserted (6.4.2007) by [Dairy Produce \(Miscellaneous Provisions\) Regulations 2007 \(S.I. 2007/477\)](#), regs. 1, [4\(2\)\(b\)](#)

#### *“Tenant’s fraction”*

- 7 (1) For the purposes of this Schedule “the tenant’s fraction” means the fraction of which—
- (a) the numerator is the annual rental value at the end of the relevant period of the tenant’s dairy improvements and fixed equipment; and
  - (b) the denominator is the sum of that value and such part of the rent payable by the tenant in respect of the relevant period as is attributable to the land used in that period for the feeding, accommodation or milking of dairy cows kept on the land.
- (2) For the purposes of sub-paragraph (1)(a) above the rental value of the tenant’s dairy improvements and fixed equipment shall be taken to be the amount which would fall to be disregarded under paragraph 2(1) of Schedule 2 to the <sup>M25</sup>Agricultural Holdings Act 1986 on a reference made in respect of the land in question under section 12 of that Act (arbitration of rent), so far as that amount is attributable to tenant’s improvements to, or tenant’s fixed equipment on, land used for the feeding, accommodation or milking of dairy cows kept on the land in question.
- (3) Where—

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*Changes to legislation: There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)*

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- (a) the relevant period is less than or greater than 12 months; or
  - (b) rent was only payable by the tenant in respect of part of the relevant period, the average rent payable in respect of one month in the relevant period or, as the case may be, in that part shall be determined and the rent referred to in sub-paragraph (1) (b) above shall be taken to be the corresponding annual amount.
- (4) For the purposes of sub-paragraph (2) above “tenant’s improvements” and “tenant’s fixed equipment” have the same meanings as in paragraph 2 of Schedule 2 to the 1986 Act, except that—
- (a) any allowance made or benefit given by the landlord after the end of the relevant period in consideration of the execution of improvements wholly or partly at the expense of the tenant shall be disregarded for the purposes of sub-paragraph (2)(a) of that paragraph;
  - (b) any compensation received by the tenant after the end of the relevant period in respect of any improvement or fixed equipment shall be disregarded for the purposes of sub-paragraph (3) of that paragraph; and
  - (c) where paragraph 2 above applies in respect of any land, improvements or equipment which would be regarded as tenant’s improvements or equipment on the termination of the former tenant’s tenancy (if he were entitled to a payment under this Schedule in respect of that land) shall be regarded as the new tenant’s improvements or equipment.

**Marginal Citations**

M25 1986 c. 5.

*“Relevant period”*

- 8 In this Schedule “the relevant period” means—
- (a) the period in relation to which the allocated quota was determined; or
  - (b) where it was determined in relation to more than one period, the period in relation to which the majority was determined or, if equal amounts were determined in relation to different periods, the later of those periods.

*Valuation of milk quota*

- 9 The value of milk quota to be taken into account for the purposes of paragraph 5 above is the value of the milk quota at the time of the termination of the tenancy in question and in determining that value at that time there shall be taken into account such evidence as is available, including evidence as to the sums being paid for interests in land—
- (a) in cases where milk quota is registered in relation to the land; and
  - (b) in cases where no milk quota is so registered.

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*Changes to legislation: There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)*

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## PART III

### SUPPLEMENTAL PROVISIONS

#### *Determination of standard quota and tenant's fraction before end of tenancy*

- 10 (1) Where, on the termination of a tenancy of any land, the tenant may be entitled to a payment under paragraph 1 above, the landlord or tenant may at any time before the termination of the tenancy by notice in writing served on the other demand that the determination of the standard quota for the land or the tenant's fraction shall be referred to arbitration.
- (2) On a reference under this paragraph the arbitrator shall determine the standard quota for the land or, as the case may be, the tenant's fraction (so far as determinable at the date of the reference).
- (3) Section 84 of the <sup>M26</sup>Agricultural Holdings Act 1986 (arbitrations) shall apply as if the matters mentioned in this paragraph were required by that Act to be determined by arbitration under that Act.

#### **Marginal Citations**

**M26** 1986 c. 5.

#### *Settlement of tenant's claim on termination of tenancy*

- 11 (1) Subject to the provisions of this paragraph, any claim arising under paragraph 1 above shall be determined by arbitration under the Agricultural Holdings Act 1986 and no such claim shall be enforceable unless before the expiry of the period of two months from the termination of the tenancy the tenant serves notice in writing on his landlord of his intention to make the claim.
- (2) The landlord and tenant may within the period of eight months from the termination of the tenancy by agreement in writing settle the claim but where the claim has not been settled during that period it shall be determined by arbitration under the Agricultural Holdings Act 1986.
- (3) In any case where on the termination of the tenancy in question a new tenancy of the land or part of the land may be granted to a different tenant by virtue of a direction under section 39 of the Agricultural Holdings Act 1986 then, as respects any claim in respect of that land or part, references in sub-paragraphs (1) and (2) above to the termination of the tenancy shall be construed as references to the following time, namely—
- (a) in a case where no application is made under that section within the period within which such an application may be made, the expiry of that period;
  - (b) in a case where every such application made within that period is withdrawn, the expiry of that period or the time when the last outstanding application is withdrawn (whichever is the later);
  - (c) in a case where [<sup>F33</sup>the Tribunal (within the meaning of that Act)] refuse every such application for a direction under that section, the time when the last outstanding application is refused; and

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*Changes to legislation: There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)*

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- (d) in a case where the Tribunal give such a direction, the relevant time for the purposes of section 46 of that Act;  
and no notice may be served under sub-paragraph (1) above before that time.
- (4) Where a tenant lawfully remains in occupation of part of the land subject to the tenancy after the termination of the tenancy or, in a case where sub-paragraph (3) above applies, after the time substituted for the termination of the tenancy by virtue of that sub-paragraph, the references in sub-paragraphs (1) and (2) above to the termination of the tenancy shall be construed as references to the termination of the occupation.
- (5) Section 84 of the <sup>M27</sup>Agricultural Holdings Act 1986 (arbitrations) shall apply as if the requirements of this paragraph were requirements of that Act, <sup>F34</sup>....
- (6) Where—
- (a) before the termination of the tenancy of any land the landlord and tenant have agreed in writing the amount of the standard quota for the land or the tenant's fraction or the value of milk quota which is to be used for the purpose of calculating the payment to which the tenant will be entitled under this Schedule on the termination of the tenancy; or
  - (b) the standard quota or the tenant's fraction has been determined by arbitration in pursuance of paragraph 10 above,
- the arbitrator determining the claim under this paragraph shall, subject to sub-paragraph (7) below, award payment in accordance with that agreement or determination.
- (7) Where it appears to the arbitrator that any circumstances relevant to the agreement or determination mentioned in sub-paragraph (6) above were materially different at the time of the termination of the tenancy from those at the time the agreement or determination was made, he shall disregard so much of the agreement or determination as appears to him to be affected by the change in circumstances.

#### Textual Amendments

**F33** Words in Sch. 1 para. 11(3)(c) substituted (1.7.2013) by virtue of [The Transfer of Tribunal Functions Order 2013 \(S.I. 2013/1036\)](#), art. 1, **Sch. 1 para. 211** (with Sch. 3)

**F34** Words in Sch. 1 para. 11(5) repealed (19.10.2006) by [Regulatory Reform \(Agricultural Tenancies\) \(England and Wales\) Order 2006 \(S.I. 2006/2805\)](#), art. 1(1)(b), **Sch. 2** (with art. 10)

#### Marginal Citations

**M27** 1986 c. 5.

### Enforcement

- 12 Section 85 of the Agricultural Holdings Act 1986 (enforcement) and section 86(1), (3) and (4) of that Act (power of landlord to obtain charge on holding) shall apply to any sum which becomes due to a tenant by virtue of this Schedule as they apply to the sums mentioned in those sections.

*Changes to legislation: There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)*

*Termination of tenancy of part of tenanted land*

- 13 References in this Schedule to the termination of a tenancy of land include references to the resumption of possession of part of the land subject to the tenancy—
- (a) by the landlord by virtue of section 31 or 43(2) of the Agricultural Holdings Act 1986 (notice to quit part);
  - (b) by the landlord in pursuance of a provision in the contract of tenancy; or
  - (c) by a person entitled to a severed part of the reversionary estate in the land by virtue of a notice to quit that part given to the tenant by virtue of section 140 of the <sup>M28</sup>Law of Property Act 1925; and in the case mentioned in paragraph (c) above this Schedule shall apply as if the person resuming possession were the landlord of the land of which he resumes possession.

**Marginal Citations**

**M28** 1925 c. 20.

*Severing of reversionary estate*

- 14 (1) Where the reversionary estate in the land is for the time being vested in more than one person in several parts, the tenant shall be entitled, on quitting all the land, to require that any amount payable to him under this Schedule shall be determined as if the reversionary estate were not so severed.
- (2) Where sub-paragraph (1) above applies, the arbitrator shall, where necessary, apportion the amount awarded between the persons who for the purposes of this Schedule together constitute the landlord of the land, and any additional costs of the award caused by the apportionment shall be paid by those persons in such proportions as the arbitrator may determine.

*Powers of limited owners*

- 15 Notwithstanding that a landlord of any land is not the owner in fee simple of the land or, in a case where his interest is an interest in a leasehold, that he is not absolutely entitled to the leasehold, he may for the purposes of this Schedule do anything which he might do if he were such an owner or, as the case may be, were so entitled.

*Notices*

- 16 (1) Any notice under this Schedule shall be duly served on the person on whom it is to be served if it is delivered to him, or left at his proper address, or sent to him by post in a registered letter or by the recorded delivery service.
- (2) Any such notice shall be duly served on an incorporated company or body if it is served on the secretary or clerk of the company or body.
- (3) Any such notice to be served on a landlord or tenant of any land shall, where an agent or servant is responsible for the control of the management or farming, as the case may be, of the land, be duly served if served on that agent or servant.
- (4) For the purposes of this paragraph and of section 7 of the <sup>M29</sup>Interpretation Act 1978 (service by post), the proper address of any person on whom any such notice is to



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*Changes to legislation: There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)*

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be served shall, in the case of the secretary or clerk of an incorporated company or body, be that of the registered or principal office of the company or body, and in any other case be the last known address of the person in question.

(5) Unless or until the tenant of any land has received—

- (a) notice that the person who before that time was entitled to receive the rents and profits of the land (“the original landlord”) has ceased to be so entitled; and
- (b) notice of the name and address of the person who has become entitled to receive the rents and profits,

any notice served on the original landlord by the tenant shall be deemed for the purposes of this Schedule to have been served on the landlord of the land.

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**Marginal Citations**

**M29** 1978 c. 30.

*Crown land*

- 17 (1) The provisions of this Schedule shall apply to land which belongs to Her Majesty in right of the Crown or to the Duchy of Lancaster, the Duchy of Cornwall or a Government department or which is held in trust for Her Majesty for the purposes of a Government department, subject in each case to such modifications as the Minister may by regulations prescribe.
- (2) For the purposes of this Schedule—
- (a) as respects land belonging to Her Majesty in right of the Crown, the Crown Estate Commissioners or the proper officer or body having charge of the land for the time being, or, if there is no such officer or body, such person as Her Majesty may appoint in writing under the Royal Sign Manual, shall represent Her Majesty and shall be deemed to be the landlord,
  - (b) as respects land belonging to Her Majesty in right of the Duchy of Lancaster, the Chancellor of the Duchy shall represent Her Majesty and shall be deemed to be the landlord;
  - (c) as respects land belonging to the Duchy of Cornwall, such person as the Duke of Cornwall or the possessor for the time being of the Duchy of Cornwall appoints shall represent the Duchy and shall be deemed to be the landlord and may do any act or thing which a landlord is authorised or required to do under this Act.
- (3) Any sum payable under this Schedule by the Duke of Cornwall (or any other possessor for the time being of the Duchy of Cornwall) may be raised and paid as if it were an expense incurred in permanently improving the possessions of the Duchy as mentioned in section 8 of the <sup>M30</sup>Duchy of Cornwall Management Act 1863.
- (4) Any sum payable under this Schedule by the Chancellor of the Duchy of Lancaster may—
- (a) be raised and paid as if it were an expense incurred in the improvement of land belonging to Her Majesty in right of the Duchy within section 25 of the <sup>M31</sup>Duchy of Lancaster Act 1817; or
  - (b) be paid out of the annual revenues of the Duchy.

*Changes to legislation: There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)*

- (5) The power to make regulations under this paragraph shall be exercisable by statutory instrument and any statutory instrument containing such regulations shall be subject to annulment in pursuance of a resolution of either House of Parliament.

#### **Marginal Citations**

**M30** 1863 c. 49.

**M31** 1817 c. 97.

### *Interpretation*

#### 18 (1) In this Schedule—

“allocated quota” has the meaning given in paragraph 1(1) above;

“holding” has the same meaning as in the 1986 Regulations;

“landlord” means any person for the time being entitled to receive the rents and profits of any land and “sub-landlord” shall be construed accordingly;

“milk quota” means—

- (a) in the case of a tenant registered in the direct sales register maintained under the 1986 Regulations, a direct sales quota (within the meaning of the 1986 Regulations); and
- (b) in the case of a tenant registered in the wholesale register maintained under those Regulations, a wholesale quota (within the meaning of those Regulations);

“the Minister” means—

- (a) in the case of land in England, the [<sup>F35</sup>Secretary of State]<sup>F35</sup>; and
- (b) in the case of land in Wales, the Secretary of State;

“registered”, in relation to milk quota, means—

- (a) in the case of direct sales quota (within the meaning of the 1986 Regulations) registered in the direct sales register maintained under those Regulations; and
- (b) in the case of a wholesale quota (within the meaning of those Regulations) registered in a wholesale register maintained under those Regulations;

“relevant quota” has the meaning given in paragraph 1(2) above;

“standard quota” has the meaning given in paragraph 6 above;

“the 1986 Regulations” means the <sup>M32</sup>Dairy Produce Quotas Regulations 1986;

“tenancy” means a tenancy from year to year (including any arrangement which would have effect as if it were such a tenancy by virtue of section 2 of the <sup>M33</sup>Agricultural Holdings Act 1986 if it had not been approved by the Minister) or a tenancy to which section 3 of that Act applies (or would apply apart from section 5 of that Act); and “tenant” and “sub-tenant” shall be construed accordingly;

“tenant’s fraction” has the meaning given in paragraph 7 above;

“termination”, in relation to a tenancy, means the cesser of the letting of the land in question or the agreement for letting the land, by reason of effluxion of time or from any other cause;

*Changes to legislation: There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)*

“transferred quota” has the meaning given in paragraph 1(2) above.

- (2) In this Schedule references to land used for the feeding of dairy cows kept on the land and to dairy cows have the same meaning as in paragraph 6 above.
- (3) The designations of landlord and tenant shall continue to apply to the parties until the conclusion of any proceedings taken under or in pursuance of this Schedule.

#### Textual Amendments

**F35** Words in [Sch. 1 para. 18\(1\)](#) in the definition of "the Minister" substituted (27.3.2002) by [The Ministry of Agriculture, Fisheries and Food \(Dissolution\) Order 2002 \(S.I. 2002/794\)](#), art. 5(1), [Sch. 1 para. 30](#) (with arts. 5(3), 6)

#### Marginal Citations

**M32** [S.I. 1986/470](#).

**M33** [1986 c. 5](#).

## <sup>F36</sup>SCHEDULE 2

Section 14.

#### Textual Amendments

**F36** [Sch. 2](#) repealed (S.) (28.2.2019) by [The Environment, Food and Rural Affairs \(Miscellaneous Amendments and Revocations\) \(Scotland\) Regulations 2018 \(S.S.I. 2018/391\)](#), reg. 1(1), [sch. Pt. 1](#)

## SCHEDULE 3

Section 24(4).

### CONSEQUENTIAL AMENDMENTS

- 1 In section 2(15) of the <sup>M34</sup>Agricultural Marketing Act 1958 for the words “or revoked” there shall be substituted the words “revoked or consolidated”.

#### Marginal Citations

**M34** [1958 c. 47](#).

<sup>F37</sup>2 .....

#### Textual Amendments

**F37** [Sch. 3 para. 2](#) repealed (1.4.2008) by [The Agriculture and Horticulture Development Board Order 2008 \(S.I. 2008/576\)](#), art. 1(3), [Sch. 5 para. 7](#) (with [Sch. 4 para. 10](#))

*Changes to legislation: There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)*

- 3 In subsection (3) of section 43 of the <sup>M35</sup>Land Drainage Act 1976 for the words “by a scheme under section 103 of the Agriculture Act 1947” there shall be substituted the words “under section 1 of the Agriculture Act 1986”.

#### Marginal Citations

**M35** 1976 c. 70.

- 4 In subsection (2) of section 41 of the <sup>M36</sup>Wildlife and Countryside Act 1981 for the words from “such advice” onwards there shall be substituted the words—
- “(a) advice to persons carrying on agricultural businesses on the conservation and enhancement of the natural beauty and amenity of the countryside;
  - (b) advice to such persons on diversification into other enterprises of benefit to the rural economy; and
  - (c) advice to government departments and other bodies exercising statutory functions on the promotion and furtherance of such diversification as is mentioned in paragraph (b).”.

#### Marginal Citations

**M36** 1981 c. 69.

## SCHEDULE 4

Section 24(5).

### REPEALS

#### Commencement Information

**I2** [Sch. 4](#) partly in force 21.11.1991 see [s. 24\(2\)](#) and [S.I. 1986/2301](#), 1991/2635

Chapter	Short title	Extent of repeal
7 & 8 Geo. 6. c. 28.	The Agriculture (Miscellaneous Provisions) Act 1944.	Section 1.
		Schedule 1.
10 & 11 Geo. 6. c. 48.	The Agriculture Act 1947.	Section 103.
5 & 6 Eliz. 2. c. 57.	The Agriculture Act 1957.	In Part II of Schedule 1, the words “Eggs (Hen and Duck in Shell)”.
1965 c. 14.	The Cereals Marketing Act 1965.	Sections 2 to 5.
		Sections 8 to 11.

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**Changes to legislation:** There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)

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In section 12(1) the words from “except” onwards.

In section 13, in subsection (1) the word “either” and the words from “or” onwards, in subsection (3)(a) the words from “and (where applicable)” to “Act”, in subsection (3)(b) the words from “(or” to “amounts)” and in subsection (3)(c) the words from “(or” to “amount)”.

Sections 14 and 15.

In section 18(1), the words from “and may” onwards.

Section 19(2), (3) and (4).

In section 23(4), the words “section 8” and “or section 19”.

In section 24(2) the definitions of “cereals (guarantee payments) order”, “deficiency payment”, “forward contract” and “registered grower”.

In section 24(4), in paragraph (a) the words from “any scheme” to “Act, and”, the words “scheme or” and the words “the scheme” in the second place where they occur, paragraph (b) and the word “and” immediately preceding it.

In section 24(5) the words “with a view to selling the processed cereals”.

Schedule 2.

In Schedule 3, in paragraphs 1 and 2 the words “or, as the case may be, Part II”.

1967 c. 22.

The Agriculture Act 1967.

In section 13, in subsection (4), the word “and” at the end of paragraph (a) and in

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***Changes to legislation:*** *There are currently no known outstanding effects for the Agriculture Act 1986. (See end of Document for details)*

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		subsection (6) the words “all or a specified part of”.
1970 c. 40.	The Agriculture Act 1970.	Sections 1 to 27. Section 103. Section 107. Schedule 1.
1972 c. 62.	The Agriculture (Miscellaneous Provisions) Act 1972.	In section 16, in subsection (1) the words “subsection (1) of”, the words from “(which” to “accordingly” and the words “of that section”.
1973 c. 65.	The Local Government (Scotland) Act 1973.	In Schedule 27, paragraph 197.
1975 c. 24.	The House of Commons Disqualification Act 1975.	In Part II of Schedule 1, the words “The Eggs Authority”.
1975 c. 25.	The Northern Ireland Assembly Disqualification Act 1975.	In Part II of Schedule 1, the words “The Eggs Authority”.
1976 c. 34.	The Restrictive Trade Practices Act 1976.	In Schedule 5, the entries relating to the Agriculture Act 1970.
1981 c. 69.	The Wildlife and Countryside Act 1981.	In section 41, subsection (1) and in subsection (6) the words from the beginning to “Wales and”.
1983 c. 3.	The Agricultural Marketing Act 1983.	In section 7(3), the words from “or” onwards.  In Schedule 1, in paragraph 6 the words “with the approval of the Ministers and the Treasury” and in paragraph 11(2) the words “with the approval of the Ministers and the consent of the Treasury” in each place where they occur and the words “with such approval”.

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**Changes to legislation:**

There are currently no known outstanding effects for the Agriculture Act 1986.