



# Agricultural Holdings Act 1986

## 1986 CHAPTER 5

### PART V

#### COMPENSATION ON TERMINATION OF TENANCY

##### *Supplementary provisions with respect to compensation*

#### **74 Termination of tenancy of part of holding.**

- (1) Where the landlord of an agricultural holding resumes possession of part of the holding by virtue of section 31 or 43(2) above, the provisions of this Act with respect to compensation shall apply to that part of the holding as if it were a separate holding which the tenant had quitted in consequence of a notice to quit.
- (2) Where the landlord of an agricultural holding resumes possession of part of the holding in pursuance of a provision in that behalf contained in the contract of tenancy—
  - (a) the provisions of this Act with respect to compensation shall apply to that part of the holding as if it were a separate holding which the tenant had quitted in consequence of a notice to quit, but
  - (b) the arbitrator <sup>F1</sup>or (as the case may be) the third party appointed under section 84A below ] in assessing the amount of compensation payable to the tenant, except the amount of compensation under section 60(2)(b) above, shall take into consideration any benefit or relief allowed to the tenant under the contract of tenancy in respect of the land possession of which is resumed by the landlord.
- (3) Where a person entitled to a severed part of the reversionary estate in an agricultural holding resumes possession of part of the holding by virtue of a notice to quit that part given to the tenant by virtue of section 140 of the <sup>M1</sup>Law of Property Act 1925 the provisions of this Act with respect to compensation shall apply to that part of the holding as if—
  - (a) it were a separate holding which the tenant had quitted in consequence of the notice to quit, and
  - (b) the person resuming possession were the landlord of that separate holding.

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*Changes to legislation: There are currently no known outstanding effects for the Agricultural Holdings Act 1986, Cross Heading: Supplementary provisions with respect to compensation. (See end of Document for details)*

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- (4) References in this Act to the termination of the tenancy of, or (as the case may be) of part of, an agricultural holding include references to the resumption of possession of part of an agricultural holding in circumstances within subsection (1), (2) or (3) above.

#### Textual Amendments

- F1** Words in s. 74(2)(b) inserted (26.3.2015 for specified purposes, 26.5.2015 in so far as not already in force) by [Deregulation Act 2015 \(c. 20\)](#), s. 115(2)(e)(3)(a), [Sch. 4 para. 17](#)

#### Marginal Citations

- M1** 1925 c. 20.

### 75 Compensation where reversionary estate in holding is severed.

- (1) Where the reversionary estate in an agricultural holding is for the time being vested in more than one person in several parts, the tenant shall be entitled, on quitting the entire holding, to require that any compensation payable to him under this Act shall be determined as if the reversionary estate were not so severed.
- (2) Where subsection (1) above applies, the arbitrator [<sup>F2</sup>or (as the case may be) the third party] shall, where necessary, apportion the amount awarded [<sup>F3</sup>or determined by third party determination ] between the persons who for the purposes of this Act together constitute the landlord of the holding, and any additional costs of the award [<sup>F4</sup>or determination ] caused by the apportionment shall be directed by the arbitrator [<sup>F5</sup>or third party ] to be paid by those persons in such proportions as he shall determine.

#### Textual Amendments

- F2** Words in s. 75(2) inserted (26.3.2015 for specified purposes, 26.5.2015 in so far as not already in force) by [Deregulation Act 2015 \(c. 20\)](#), s. 115(2)(e)(3)(a), [Sch. 4 para. 18\(a\)](#)
- F3** Words in s. 75(2) inserted (26.3.2015 for specified purposes, 26.5.2015 in so far as not already in force) by [Deregulation Act 2015 \(c. 20\)](#), s. 115(2)(e)(3)(a), [Sch. 4 para. 18\(b\)](#)
- F4** Words in s. 75(2) inserted (26.3.2015 for specified purposes, 26.5.2015 in so far as not already in force) by [Deregulation Act 2015 \(c. 20\)](#), s. 115(2)(e)(3)(a), [Sch. 4 para. 18\(c\)](#)
- F5** Words in s. 75(2) inserted (26.3.2015 for specified purposes, 26.5.2015 in so far as not already in force) by [Deregulation Act 2015 \(c. 20\)](#), s. 115(2)(e)(3)(a), [Sch. 4 para. 18\(d\)](#)

### 76 Restrictions on compensation for things done in compliance with this Act.

- (1) Notwithstanding anything in this Act or any custom or agreement—
- (a) no compensation shall be payable to the tenant of an agricultural holding in respect of anything done in pursuance of an order under section 14(4) above,
  - (b) in assessing compensation to an outgoing tenant of an agricultural holding where land has been ploughed up in pursuance of a direction under that section, the value per hectare of any tenant's pasture comprised in the holding shall be taken not to exceed the average value per hectare of the whole of the tenant's pasture comprised in the holding on the termination of the tenancy.
- (2) In subsection (1) above “tenant's pasture” means pasture laid down at the expense of the tenant or paid for by the tenant on entering on the holding.

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**Changes to legislation:** *There are currently no known outstanding effects for the Agricultural Holdings Act 1986, Cross Heading: Supplementary provisions with respect to compensation. (See end of Document for details)*

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- (3) The tenant of an agricultural holding shall not be entitled to any compensation for a relevant improvement specified in Part I of Schedule 8 to this Act or (subject to paragraph 8 of Schedule 12 to this Act) for any such matter as is specified in Part II of Schedule 8 if it is an improvement or matter made or effected for the purposes of section 15(4) above.

**77 No compensation under custom for improvement or tenant-right matter.**

- (1) A landlord or tenant of an agricultural holding shall not be entitled under custom to any compensation from the other for any improvement, whether or not one in respect of the carrying out of which compensation is provided under this Act, or (subject to paragraph 8 of Schedule 12 to this Act) for any matter specified in Part II of Schedule 8 to this Act or otherwise.
- (2) Subsection (1) above shall not apply to compensation for an improvement of a kind specified in Schedule 7 or Part I of Schedule 8 to this Act begun before 1st March 1948.

**78 Extent to which compensation recoverable under agreements.**

- (1) Save as expressly provided in this Act, in any case for which apart from this section the provisions of this Act provide for compensation, a tenant or landlord shall be entitled to compensation in accordance with those provisions and not otherwise, and shall be so entitled notwithstanding any agreement to the contrary.
- (2) Where the landlord and tenant of an agricultural holding enter into an agreement in writing for any such variation of the terms of the contract of tenancy as could be made by direction or order under section 14 above, the agreement may provide for the exclusion of compensation in the same manner as under section 76(1) above.
- (3) Nothing in the provisions of this Act, apart from this section, shall be construed as disentitling a tenant or landlord to compensation in any case for which the said provisions do not provide for compensation, but (subject to paragraph 8 of Schedule 12 to this Act) a claim for compensation in any such case shall not be enforceable except under an agreement in writing.

**Changes to legislation:**

There are currently no known outstanding effects for the Agricultural Holdings Act 1986, Cross Heading: Supplementary provisions with respect to compensation.