



Natural Environment and Rural Communities Act 2006

2006 CHAPTER 16

PART 8

FLEXIBLE ADMINISTRATIVE ARRANGEMENTS

CHAPTER 2

POWERS TO REFORM AGRICULTURAL ETC. BODIES

Power to create boards

87 Power to establish boards

- (1) The appropriate authority may by order—
 - (a) establish a body for a purpose or purposes falling within section 88, and
 - (b) assign to it a function or functions falling within section 89.
- (2) The order must specify the area or areas in relation to which assigned functions are exercisable.
- (3) The areas which may be specified under subsection (2) are—
 - (a) England or an area in England;
 - (b) Wales or an area in Wales;
 - (c) Scotland or an area in Scotland;
 - (d) Northern Ireland or an area in Northern Ireland;
 - (e) any combination of any of the areas mentioned in paragraphs (a) to (d).
- (4) In this Chapter—

“the appropriate authority” has the meaning given by section 96;
“board” means a body established by an order under this section;

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“section 87 order” means an order under this section.

- (5) A board is to be known by a name specified in the order.
- (6) Schedule 8 contains provisions about the constitution of boards and related matters.

88 Permissible purposes of boards

- (1) The purposes referred to in section 87(1)(a) are—
 - (a) increasing efficiency or productivity in an agricultural or related industry;
 - (b) improving marketing in an agricultural or related industry;
 - (c) improving or developing services that an agricultural or related industry provides or could provide to the community;
 - (d) improving the ways in which an agricultural or related industry contributes to sustainable development.
- (2) A section 87 order must specify—
 - (a) the purpose or purposes for which the board is established, and
 - (b) the industry to which the order relates.
- (3) For the purposes of subsection (2)(b), it does not matter whether the specified industry is regarded for any other purpose as—
 - (a) an industry,
 - (b) a group of industries, or
 - (c) a sector or sectors of an industry.
- (4) “Agriculture” includes horticulture, fruit growing, seed growing, dairy farming and livestock breeding and keeping, and the use of land as grazing land, meadow land, osier land, market gardens and nursery grounds.
- (5) “Related industry” means an industry which is concerned with the production, processing, manufacture, marketing or distribution of—
 - (a) anything (including any creature alive or dead) produced in the course of agriculture, and
 - (b) any product which is derived to any substantial extent from anything so produced.
- (6) “Services” includes environmental and educational services.

89 Permissible functions of boards

- (1) The functions referred to in section 87(1)(b) are—
 - (a) a function specified in Schedule 9 (a “Schedule 9 function”);
 - (b) a function which, immediately before the commencement of the section 87 order, is a function of an existing levy body (“an existing function”);
 - (c) a function which is a more limited version of a Schedule 9 function or an existing function;
 - (d) a function which is a combination of two or more Schedule 9 functions or existing functions;
 - (e) any additional function, if it appears to the appropriate authority—
 - (i) to be related or similar to, or connected with, any function being assigned by virtue of any of paragraphs (a) to (d), or

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(ii) to be capable of being conveniently exercised in association with any function being so assigned.

- (2) In this Chapter “existing levy body” means—
- (a) the British Potato Council;
 - (b) the Home-Grown Cereals Authority;
 - (c) the Horticultural Development Council;
 - (d) the Meat and Livestock Commission;
 - (e) the Milk Development Council.

90 Ancillary provisions

Schedule 10 makes further provision about the contents of a section 87 order.

Power to dissolve existing levy bodies and boards

91 Power to dissolve existing levy bodies

- (1) The appropriate authority may by order provide for the dissolution of any or all of the existing levy bodies.
- (2) If an order is made providing for the dissolution of the Home-Grown Cereals Authority, the order must provide for the Cereals Marketing Act 1965 (c. 14) to cease to have effect.
- (3) If an order is made providing for the dissolution of the Meat and Livestock Commission, the order must provide for the relevant provisions of the Agriculture Act 1967 (c. 22) to cease to have effect.
- (4) The relevant provisions of the 1967 Act are—
- Part 1 (livestock and meat marketing);
 - Schedule 1 (the Meat and Livestock Commission);
 - Schedule 2 (supplementary provisions with respect to development schemes).
- (5) If an order is made providing for the dissolution of—
- (a) the British Potato Council,
 - (b) the Horticultural Development Council, or
 - (c) the Milk Development Council,
- the order must provide for the revocation of the development council order establishing the Council.
- (6) “Development council order” has the meaning given by section 1(2) of the Industrial Organisation and Development Act 1947 (c. 40) (power to establish development councils etc.).

92 Power to dissolve board

- (1) The appropriate authority may by order provide for the dissolution of a board.
- (2) An order under this section must provide for the revocation of the section 87 order.

93 Dissolution: supplementary

- (1) Subsection (2) applies if an order is made providing for—
 - (a) the dissolution of an existing levy body, or
 - (b) the dissolution of a board.
- (2) The order may provide for the transfer of any property, rights or liabilities of the existing levy body or board.
- (3) Subsection (4) applies if an order is made providing for—
 - (a) the dissolution of an existing levy body, or
 - (b) the dissolution of a board in relation to which provision has been made by virtue of paragraph 5 of Schedule 10 (levies).
- (4) The order must provide for the application of any surplus—
 - (a) for the purposes for which the existing levy body or board was established, or
 - (b) for connected purposes.
- (5) “Surplus” means an amount by which the assets of the existing levy body or board exceeds its liabilities and expenses.

*Powers of appropriate authority***94 Grants**

- (1) The appropriate authority may make grants to a board of such amounts as the appropriate authority thinks fit.
- (2) A grant under this section may be made subject to such conditions as the appropriate authority thinks fit.

95 Directions

- (1) The appropriate authority may give a board general or specific directions as to the exercise of its functions.
- (2) The appropriate authority must publish any directions given under this section as soon as is reasonably practicable after giving the directions.
- (3) The power to give directions under this section includes power to vary or revoke the directions.
- (4) A board must comply with any directions given under this section.

*Supplementary***96 “The appropriate authority”**

- (1) In this Chapter “the appropriate authority” means—
 - (a) in relation to matters concerning England only, the Secretary of State;
 - (b) in relation to matters concerning Wales only, the National Assembly for Wales;
 - (c) in relation to matters concerning Scotland only, the Scottish Ministers;

- (d) in relation to matters concerning Northern Ireland only, the relevant Northern Ireland department;
 - (e) in relation to the matters mentioned in subsection (2), the Secretary of State acting with the approval of the National Assembly for Wales, the Scottish Ministers or (as the case may be) the relevant Northern Ireland department.
- (2) The matters referred to are—
- (a) making a section 87 order establishing a board which has cross-border functions;
 - (b) making an order under section 91 or 92 dissolving an existing levy body or such a board;
 - (c) making appointments to such a board or exercising other powers in relation to a cross-border function of a board.
- (3) “Cross-border functions” means functions relating to—
- (a) England, and
 - (b) Wales, Scotland or Northern Ireland.
- (4) The Scottish Ministers may not give their approval for the purposes of subsection (1) (e) to the making of—
- (a) an order establishing a board whose cross-border functions include functions relating to Scotland, or
 - (b) an order dissolving an existing levy body or a board whose cross-border functions include functions relating to Scotland,
- unless a draft of the order has been laid before, and approved by a resolution of, the Scottish Parliament.
- (5) In this Chapter “the relevant Northern Ireland department” means the Department of Agriculture and Rural Development in Northern Ireland.

97 Orders: procedure etc.

- (1) An order under this Chapter may include supplementary, incidental, consequential, transitory, transitional or saving provision.
- (2) An order under this Chapter making provision of a description referred to in subsection (1) may—
 - (a) amend or repeal any enactment, or
 - (b) amend or revoke any subordinate legislation,whenever passed or made.
- (3) “Enactment” includes Acts of the Scottish Parliament and Northern Ireland legislation.
- (4) “Subordinate legislation” has the same meaning as in the Interpretation Act 1978 (c. 30), except that it includes any instrument made under an Act of the Scottish Parliament and any instrument within the meaning of section 1(c) of the Interpretation Act (Northern Ireland) 1954 (c. 33 N.I.).
- (5) Before making any order under this Chapter the appropriate authority must consult such organisations as appear to it to be representative of interests substantially affected by the proposed order.

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- (6) Subject to subsection (7), any power to make an order under this Chapter is exercisable by statutory instrument.
- (7) Any power of the relevant Northern Ireland department to make an order under this Chapter is exercisable by statutory rule for the purposes of the Statutory Rules (Northern Ireland) Order 1979 (S.I. 1979/1573 (N.I.12)).
- (8) An order under this Chapter may not be made—
 - (a) by the Secretary of State, unless a draft of the statutory instrument containing the order has been laid before, and approved by a resolution of, each House of Parliament;
 - (b) by the Scottish Ministers, unless a draft of the statutory instrument containing the order has been laid before, and approved by a resolution of, the Scottish Parliament;
 - (c) by the relevant Northern Ireland department, unless a draft of the statutory rule containing the order has been laid before, and approved by a resolution of, the Northern Ireland Assembly.