



# Agriculture Act 1967

## 1967 CHAPTER 22

### PART II

#### FARM STRUCTURE AND FARM IMPROVEMENTS, AND PROMOTION OF AGRICULTURAL INVESTMENT

##### *Farm Structure*

#### **28 Loans to assist amalgamations and boundary adjustments.**

[<sup>F1</sup>(1) The appropriate Minister may with the approval of the Treasury make or guarantee loans to meet expenditure incurred in connection with an amalgamation or boundary adjustment approved by the appropriate Minister in pursuance of a scheme under section 26 of this Act, being—

- (a) the costs of the amalgamation or boundary adjustment consisting of surveyor's fees and legal costs, stamp duty on any conveyance, lease, tenancy agreement or mortgage or heritable security and any compensation for disturbance under [<sup>F2</sup>section 60(2)(a) of the Agricultural Holdings Act 1986] or [<sup>F3</sup>section 43 of the Agricultural Holdings (Scotland) Act 1991], or
- (aa) expenditure incurred in the carrying out or provision of works or facilities which the appropriate Minister considers to be necessary or desirable as a consequence of the amalgamation, or to be necessary as a consequence of the boundary adjustment, or
- (b) any part of the purchase price of any land acquired as part of the amalgamation or as the case may be any part of the purchase price of land acquired, or of money given by way of equality of exchange, as part of the boundary adjustment,

or expenditure under all or any two of paragraphs (a), (aa) and (b) above.]

(2) A loan made by the appropriate Minister—

- (a) may be effected through the agency of such body or bodies as the appropriate Minister may select,

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- (b) must have been approved by the appropriate Minister on an application made in the manner directed by him and within the period of duration of schemes under section 26 of this Act, or within such longer period as the appropriate Minister may determine.
- (3) A loan guaranteed by the appropriate Minister shall be a loan made by such body or bodies as the appropriate Minister may select.
- (4) A loan made or guaranteed by the appropriate Minister must be one repayable as to both capital and interest within a period of sixty years from the making of the loan.
- (5) The appropriate Minister may in making a loan or guarantee under this section impose such conditions as he thinks fit.
- (6) After the giving of a loan or guarantee under this section in connection with an amalgamation the relevant unit shall be subject to the provisions of Schedule 3 to this Act and—
  - (a) the appropriate Minister shall not approve the proposals for the amalgamation unless satisfied that all persons having an estate or interest in the relevant unit have given their written consent to the application of that Schedule to the relevant unit,
  - (b) the relevant unit shall be, or be the part of, the agricultural unit or units specified for the purposes of this subsection by the appropriate Minister in the document giving his approval to the proposals, and
  - (c) in the said Schedule 3 as applied by this subsection “relevant Exchequer payments” shall mean—
    - (i) in the case of a loan, the amount of the loan and interest outstanding and, so far as the lender has been required to accept repayment at a time earlier than that agreed in making the loan, the cost, or so much thereof as the appropriate Minister may determine, of reinvestment and, if the rate of interest on the loan is higher than can reasonably be expected to be obtained on reinvestment (regard being had to the current rate of interest) compensation in respect of the loss thereby sustained or such part thereof as the appropriate Minister may determine,
    - (ii) in the case of a guarantee, any amount paid by the appropriate Minister in fulfilment of the guarantee,
    - (iii) in either case, such sum as the appropriate Minister may certify as the sum representing his administrative expenses (including an appropriate proportion of overhead expenses and other fixed or general expenses) incurred in connection with making the loan or guarantee and, in the case of a guarantee, in fulfilling the guarantee,
  - (d) in the said Schedule 3 as applied by this section “relevant date” shall mean—
    - (i) for any administrative expenses related to a loan within subsection (6)(c)(i) above, the date when the loan is made,
    - (ii) for sums within subsection (6)(c)(ii) above, and any related administrative expenses, the date when the guarantee is fulfilled.
- (7) In the case of a loan or guarantee made under this section in connection with a boundary adjustment the appropriate Minister may, if he thinks fit, designate in the document giving his approval to the proposals any land appearing to him to benefit from the boundary adjustment as land which, after the making of the loan or guarantee, is to be a relevant unit subject to the provisions of Schedule 3 to this Act, and

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paragraphs (a),(c) and (d) of the last foregoing subsection shall apply in relation to the boundary adjustment as they apply in relation to an amalgamation.

- (8) A mortgage, heritable security or charge securing a loan made or guaranteed by the appropriate Minister under this section may, notwithstanding any rule of law or equity to the contrary, contain a provision that the mortgage, heritable security or charge shall not be redeemable except in the manner specified in the mortgage, heritable security or charge.
- (9) Any sums required by the appropriate Minister for making a loan under this section or fulfilling a guarantee made under this section shall be paid out of money provided by Parliament.
- (10) References in this section to the guarantee of a loan include references to the guarantee of part of a loan, including a guarantee restricted to interest payable on a loan.

#### Textual Amendments

- F1** S. 28(1) substituted by virtue of [Agriculture \(Miscellaneous Provisions\) Act 1972 \(c. 62\), s. 9\(9\), Sch. 4](#)
- F2** Words substituted by [Agricultural Holdings Act 1986 \(c. 5, SIF 2:3\)](#), ss. 99, 100, Sch. 13 para. 3, [Sch. 14 para. 39](#)
- F3** Words in s. 28(1)(a) substituted (25.9.1991) by [Agricultural Holdings \(Scotland\) Act 1991 \(c. 55, SIF 2:3\)](#), ss. 88(1), 89(1), [Sch. 11](#), para. 28

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

- C1** S.28(5) amended by [Agricultural \(Miscellaneous Provisions\) Act 1972 \(c. 62\), s. 10\(4\)](#)
- C2** S.28(6)(7) excluded by [Agricultural \(Miscellaneous Provisions\) Act 1972 \(c. 62\), s. 10\(3\)](#)

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 9(10A) inserted by [2003 c. 44 Sch. 27 para. 2\(3\)](#)