

Agricultural Holdings Act 1986

1986 CHAPTER 5

PART II

PROVISIONS AFFECTING TENANCY DURING ITS CONTINUANCE

Written tenancy agreements

6 Right to written tenancy agreement.

- (1) Where in respect of a tenancy of an agricultural holding—
 - (a) there is not in force an agreement in writing embodying all the terms of the tenancy (including any model clauses incorporated in the contract of tenancy by virtue of section 7 below), or
 - (b) such an agreement in writing is in force but the terms of the tenancy do not make provision for one or more of the matters specified in Schedule 1 to this Act,

the landlord or tenant of the holding may, if he has requested the other to enter into an agreement in writing embodying all the terms of the tenancy and containing provision for all of the said matters but no such agreement has been concluded, refer the terms of the tenancy to arbitration under this Act.

- [FI(1A) Where the landlord or tenant has the right under subsection (1) above to refer the terms of the tenancy to arbitration under this Act, the landlord and tenant may instead refer the terms of the tenancy for third party determination under this Act.]
 - (2) On any such reference the arbitrator in his award [F2 or (as the case may be) the third party in his determination]—
 - (a) shall specify the existing terms of the tenancy, subject to any variations agreed between the landlord and the tenant,
 - (b) in so far as those terms as so varied neither make provision for, nor make provision inconsistent with, the matters specified in Schedule 1 to this Act, shall make provision for all of the said matters having such effect as may be agreed between the landlord and the tenant or, in default of agreement, as

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- appears to the arbitrator [F3 or third party] to be reasonable and just between them, and
- (c) may include any further provisions relating to the tenancy which may be agreed between the landlord and the tenant.
- (3) Where it appears to the arbitrator [F4 or third party] on a reference under this section that, by reason of any provision which he is required to include in his award [F5 or (as the case may be) his determination], it is equitable that the rent of the holding should be varied, he may vary the rent accordingly.
- (4) The award of an arbitrator [F6 or (as the case may be) the determination of a third party] under this section shall have effect as if the terms and provisions specified and made in the award [F7 or determination] were contained in an agreement in writing entered into by the landlord and the tenant and having effect (by way of variation of the agreement previously in force in respect of the tenancy) as from the making of the award [F7 or determination] or, if the award [F7 or determination] so provides, from such later date as may be specified in it.
- (5) Where in respect of a tenancy of an agricultural holding—
 - (a) the terms of the tenancy neither make provision for, nor make provision inconsistent with, the matter specified in paragraph 9 of Schedule 1 to this Act, and
 - (b) the landlord requests the tenant in writing to enter into such an agreement as is mentioned in subsection (1) above containing provision for all of the matters specified in that Schedule,

the tenant may not without the landlord's consent in writing assign, sub-let or part with possession of the holding or any part of it during the period while the determination of the terms of the tenancy is pending; and any transaction entered into in contravention of this subsection shall be void.

(6) The period mentioned in subsection (5) above is the period beginning with the date of service of the landlord's request on the tenant and ending with the date on which an agreement is concluded in accordance with that request or (as the case may be) with the date on which the award of an arbitrator [F8 or the determination of a third party] on a reference under this section relating to the tenancy takes effect.

Textual Amendments

- F1 S. 6(1A) 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. 3(2)
- F2 Words in s. 6(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. 3(3)(a)
- F3 Words in s. 6(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. 3(3)(b)
- F4 Words in s. 6(3) 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. 3(4)(a)
- Words in s. 6(3) 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. 3(4)(b)
- **F6** Words in s. 6(4) 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. 3(5)(a)**
- F7 Words in s. 6(4) 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. 3(5)(b)

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F8 Words in s. 6(6) 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. 3(6)**

Fixed equipment

7 The model clauses.

- (1) The Minister may, after consultation with such bodies of persons as appear to him to represent the interests of landlords and tenants of agricultural holdings, make regulations prescribing terms as to the maintenance, repair and insurance of fixed equipment (in this Act referred to as "the model clauses").
- (2) Regulations under this section may make provision for any matter arising under them to be determined by arbitration ^{F9}[or third party determination] under this Act.
- (3) The model clauses shall be deemed to be incorporated in every contract of tenancy of an agricultural holding except in so far as they would impose on one of the parties to an agreement in writing a liability which under the agreement is imposed on the other.

Textual Amendments

Words in s. 7(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. 4

Arbitration [F10 or third party determination] where terms of written agreement are inconsistent with the model clauses.

- (1) This section applies where an agreement in writing relating to a tenancy of an agricultural holding effects substantial modifications in the operation of regulations under section 7 above.
- (2) Where this section applies, then, subject to subsection (6) below, the landlord or tenant of the holding may, if he has requested the other to vary the terms of the tenancy as to the maintenance, repair and insurance of fixed equipment so as to bring them into conformity with the model clauses but no agreement has been reached on the request, refer those terms of the tenancy to arbitration under this Act.
- F11[(2A) Where the landlord or tenant has the right under subsection (2) above to refer the terms of the tenancy as to the maintenance, repair and insurance of fixed equipment to arbitration under this Act (or would have that right but for subsection (6) below), the landlord and tenant may instead refer those terms for third party determination under this Act.]
 - (3) On any reference under this section the arbitrator [F12 or third party] shall consider whether (disregarding the rent payable for the holding) the terms referred to arbitration [F13 or (as the case may be) for third party determination] are justifiable having regard to the circumstances of the holding and of the landlord and the tenant, and, if he determines that they are not so justifiable, he may by his award [F14 or determination] vary them in such manner as appears to him reasonable and just between the landlord and tenant.
 - (4) Where it appears to the arbitrator [F15 or third party] on any reference under this section that by reason of any provision included in his award [F16 or (as the case may be) his

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determination] it is equitable that the rent of the holding should be varied, he may vary the rent accordingly.

- (5) The award [F17] or determination] of an arbitrator [F18] or (as the case may be) the determination of a third party] under this section shall have effect as if the terms and provisions specified and made in the award were contained in an agreement in writing entered into by the landlord and the tenant and having effect (by way of variation of the agreement previously in force in respect of the tenancy) as from the making of the award [F17] or determination] or, if the award [F17] or determination] so provides, from such later date as may be specified in it.
- (6) Where there has been a reference [F19 to arbitration or third party determination] under this section relating to a tenancy, no [F20 subsequent reference to arbitration] relating to that tenancy shall be made before the expiry of three years from the coming into effect of the award of the arbitrator [F21 or (as the case may be) the determination of the third party] on the previous reference.

Textual Amendments

- F10 Words in s. 8 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. 5(7)
- F11 S. 8(2A) 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. 5(2)
- F12 Words in s. 8(3) 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. 5(3)(a)
- **F13** Words in s. 8(3) 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. 5(3)(b)**
- F14 Words in s. 8(3) 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. 5(3)(c)
- F15 Words in s. 8(4) 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. 5(4)(a)
- Words in s. 8(4) 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. 5(4)(b)
- F17 Words in s. 8(5) 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. 5(5)(b)
- **F18** Words in s. 8(5) 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. 5(5)(a)**
- F19 Words in s. 8(6) 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. 5(6)(a)
- **F20** Words in s. 8(6) substituted (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. 5(6)(b)**
- Words in s. 8(6) 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. 5(6)(c)

9 Transitional arrangements where liability in respect of fixed equipment transferred.

(1) Where by virtue of section 6, 7 or 8 above the liability for the maintenance or repair of any item of fixed equipment is transferred from the tenant to the landlord, the landlord may within the prescribed period beginning with the date on which the transfer takes effect require that there shall be determined by arbitration under this Act and paid by the tenant the amount of any relevant compensation.

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- [F22(1A) Where the landlord has the right under subsection (1) above to require that there shall be determined by arbitration under this Act and paid by the tenant the amount of any relevant compensation (or would have that right but for the expiry of the prescribed period), the landlord and tenant may instead refer for third party determination under this Act the question of the amount of any relevant compensation that the tenant is to be required to pay.]
 - (2) [F23subsections (1) and (1A) above] "relevant compensation" means compensation which would have been payable either under subsection (1) of section 71 below or in accordance with subsection (3) of that section, in respect of any previous failure by the tenant to discharge the liability mentioned in subsection (1) above, if the tenant had quitted the holding on the termination of his tenancy at the date on which the transfer takes effect.
 - (3) Where by virtue of section 6, 7 or 8 above the liability for the maintenance or repair of any item of fixed equipment is transferred from the landlord to the tenant, any claim by the tenant in respect of any previous failure by the landlord to discharge the said liability shall, if the tenant within the prescribed period beginning with the date on which the transfer takes effect so requires, be determined by arbitration under this Act.
- [F24(3A) Where the tenant has the right under subsection (3) above to require that there shall be determined by arbitration under this Act a claim of a type described in that subsection (or would have that right but for the expiry of the prescribed period), the tenant and landlord may instead refer the claim for third party determination under this Act.]
 - (4) Where the terms of a tenancy of an agricultural holding as to the maintenance, repair or insurance of fixed equipment (whether established by the operation of regulations under section 7 above or by agreement) are varied by new regulations made under that section, then, if a reference is made under section 6 above within the prescribed period after the coming into operation of the new regulations, the arbitrator [F25] or third party] shall, for the purposes of subsection (2) of the said section 6, disregard the variation.

Textual Amendments

- F22 S. 9(1A) 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. 6(2)
- F23 Words in s. 9(2) substituted (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. 6(3)
- F24 S. 9(3A) 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. 6(4)
- **F25** Words in s. 9(4) 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. 6(5)**

10 Tenant's right to remove fixtures and buildings.

- (1) Subject to the provisions of this section—
 - (a) any engine, machinery, fencing or other fixture (of whatever description) affixed, whether for the purposes of agriculture or not, to an agricultural holding by the tenant, and
 - (b) any building erected by him on the holding,

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shall be removable by the tenant at any time during the continuance of the tenancy or before the expiry of two months from its termination, and shall remain his property so long as he may remove it by virtue of this subsection.

- (2) Subsection (1) above shall not apply—
 - (a) to a fixture affixed or a building erected in pursuance of some obligation,
 - (b) to a fixture affixed or a building erected instead of some fixture or building belonging to the landlord,
 - (c) to a building in respect of which the tenant is entitled to compensation under this Act or otherwise, or
 - (d) to a fixture affixed or a building erected before 1st January 1884.
- (3) The right conferred by subsection (1) above shall not be exercisable in relation to a fixture or building unless the tenant—
 - (a) has paid all rent owing by him and has performed or satisfied all his other obligations to the landlord in respect of the holding, and
 - (b) has, at least one month before both the exercise of the right and the termination of the tenancy, given to the landlord notice in writing of his intention to remove the fixture or building.
- (4) If, before the expiry of the notice mentioned in subsection (3) above, the landlord gives to the tenant a counter-notice in writing electing to purchase a fixture or building comprised in the notice, subsection (1) above shall cease to apply to that fixture or building, but the landlord shall be liable to pay to the tenant the fair value of that fixture or building to an incoming tenant of the holding.
- (5) In the removal of a fixture or building by virtue of subsection (1) above, the tenant shall not do any avoidable damage to any other building or other part of the holding, and immediately after the removal shall make good all damage so done that is occasioned by the removal.
- (6) Any dispute between the landlord and the tenant with respect to the amount payable by the landlord under subsection (4) above in respect of any fixture or building shall be determined by arbitration under this Act.
- [F26(6A) Notwithstanding subsection (6) above, the landlord and tenant may instead refer for third party determination under this Act the dispute that has arisen with respect to the amount payable by the landlord under subsection (4).]
 - (7) This section shall apply to a fixture or building acquired by a tenant as it applies to a fixture or building affixed or erected by him.
 - (8) This section shall not be taken as prejudicing any right to remove a fixture that subsists otherwise than by virtue of this section.

Textual Amendments

F26 S. 10(6A) 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. 7

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11 Provision of fixed equipment necessary to comply with statutory requirements.

- (1) Where, on an application by the tenant of an agricultural holding, the Tribunal are satisfied that it is reasonable, having regard to the tenant's responsibilities to farm the holding in accordance with the rules of good husbandry, that he should carry on on the holding an agricultural activity specified in the application to the extent and in the manner so specified and—
 - (a) that, unless fixed equipment is provided on the holding, the tenant, in carrying on that activity to that extent and in that manner, will contravene requirements imposed by or under any enactment, or
 - (b) that it is reasonable that the tenant should use, for purposes connected with that activity, fixed equipment already provided on the holding, but that, unless that equipment is altered or repaired, the tenant, in using the equipment for those purposes, will contravene such requirements,

the Tribunal may direct the landlord to carry out, within a period specified in the direction, such work for the provision or, as the case may be, the alteration or repair of that fixed equipment as will enable the tenant to comply with the said requirements.

- (2) Where it appears to the Tribunal that an agricultural activity specified in the tenant's application has not been carried on on the holding continuously for a period of at least three years immediately preceding the making of the application the Tribunal shall not direct the landlord to carry out the work in connection with that activity unless they are satisfied that the starting of the activity did not or, where the activity has not yet been started, will not constitute or form part of a substantial alteration of the type of farming carried on on the holding.
- (3) The Tribunal shall not direct the landlord to carry out work under this section unless they are satisfied—
 - (a) that it is reasonable to do so having regard to the landlord's responsibilities to manage the land comprised in the holding in accordance with the rules of good estate management and also to the period for which the holding may be expected to remain a separate holding and to any other material consideration, and
 - (b) that the landlord has refused to carry out that work on being requested in writing to do so by the tenant or has not agreed to carry it out within a reasonable time after being so requested.
- (4) The Tribunal shall not direct the landlord to carry out work under this section if he is under a duty to carry out the work in order to comply with a requirement imposed on him by or under any enactment or if provision is made by the contract of tenancy, or by any other agreement between the landlord and the tenant, for the carrying out of work by one of them.
- (5) If the landlord fails to comply with a direction under this section the tenant shall have the same remedies as if the contract of tenancy had contained an undertaking by the landlord to carry out the work required by the direction within the period allowed by the Tribunal.
- (6) Notwithstanding any term in the contract of tenancy restricting the carrying out by the tenant of alterations to the holding, the remedies referred to in subsection (5) above shall include the right of the tenant to carry out the work himself and recover the reasonable cost of the work from the landlord.

- (7) The Tribunal, on an application by the landlord, may extend or further extend the period specified in a direction under this section if it is shown to their satisfaction that the period so specified, or that period as previously extended under this subsection, as the case may be, will not allow sufficient time both for the completion of preliminary arrangements necessary or desirable in connection with the work required by the direction (including, in appropriate cases, the determination of an application by the landlord for a grant out of money provided by Parliament in respect of that work) and for the carrying out of the said work.
- (8) The reference in subsection (6) above to the reasonable cost of work carried out by a tenant shall, where the tenant has received a grant in respect of the work out of money provided by Parliament, be construed as a reference to the reasonable cost reduced by the amount of the grant.

Variation of rent

F2712 Arbitration [F27 or third party determination] of rent.

- (1) Subject to the provisions of Schedule 2 to this Act, the landlord or tenant of an agricultural holding may by notice in writing served on the other demand that the rent to be payable in respect of the holding as from the next termination date shall be ^{F28}... [F28] determined in accordance with this section].
- [F29(1A) Where a notice under subsection (1) is served, the question of how much rent is to be payable in respect of the holding as from the next termination date—
 - (a) may be required by the landlord or tenant to be determined by arbitration under this Act (see section 84), or
 - (b) may be referred by the landlord and tenant for third party determination under this Act (see section 84A).]
 - (2) On a reference under this section the arbitrator [F30] or third party] shall determine what rent should be properly payable in respect of the holding at the [F31] next termination date following the date of the F32...[F32] notice under subsection (1)] and accordingly shall, with effect from that next termination date], increase or reduce the rent previously payable or direct that it shall continue unchanged.
 - (3) A ^{F33}... [F33 notice under subsection (1)] shall cease to be effective for the purposes of this section on the next termination date following the date of F34... [F34 the notice] unless before the said termination date—
 - (a) an arbitrator [F35] or third party] has been appointed by agreement between the parties, or
 - (b) an application has been made ^{F36}... [F36under section 84 for the appointment of an arbitrator].
 - (4) References in this section (and in Schedule 2 to this Act) F37...[F38,] with respect to the rent of any holding, to the next termination date following the date of F39...[F39] a notice under subsection (1)] are references to the next day following the date of F40...[F40] the notice] on which the tenancy of the holding could have been determined by notice to quit given at the date of F41...[F41] the notice under subsection (1)].
 - (5) Schedule 2 to this Act shall have effect for supplementing this section.

Changes to legislation: There are currently no known outstanding effects for the Agricultural Holdings Act 1986, Part II. (See end of Document for details)

Textual Amendments

- F27 Words in s. 12 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. 8(5)
- **F28** Words in s. 12(1) substituted (11.11.2020 for specified purposes, 11.1.2021 in so far as not already in force) by Agriculture Act 2020 (c. 21), s. 57(1)(b)(c)(6), **Sch. 3 para. 2(2)**
- F29 S. 12(1A) substituted (11.11.2020 for specified purposes, 11.1.2021 in so far as not already in force) by Agriculture Act 2020 (c. 21), s. 57(1)(b)(c)(6), Sch. 3 para. 2(3)
- **F30** Words in s. 12(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. 8(3)(a)**
- **F31** Words in s. 12(2) substituted (19.10.2006) by The Regulatory Reform (Agricultural Tenancies) (England and Wales) Order 2006 (S.I. 2006/2805), art. 3 (with art. 10)
- F32 Words in s. 12(2) substituted (11.11.2020 for specified purposes, 11.1.2021 in so far as not already in force) by Agriculture Act 2020 (c. 21), s. 57(1)(b)(c)(6), Sch. 3 para. 2(4)
- F33 Words in s. 12(3) substituted (11.11.2020 for specified purposes, 11.1.2021 in so far as not already in force) by Agriculture Act 2020 (c. 21), s. 57(1)(b)(c)(6), Sch. 3 para. 2(5)(a)
- **F34** Words in s. 12(3) substituted (11.11.2020 for specified purposes, 11.1.2021 in so far as not already in force) by Agriculture Act 2020 (c. 21), s. 57(1)(b)(c)(6), **Sch. 3 para. 2(5)(b)**
- F35 Words in s. 12(3)(a) inserted (11.11.2020 for specified purposes, 11.1.2021 in so far as not already in force) by Agriculture Act 2020 (c. 21), s. 57(1)(b)(c)(6), Sch. 3 para. 2(5)(c)
- F36 Words in s. 12(3)(b) substituted (11.11.2020 for specified purposes, 11.1.2021 in so far as not already in force) by Agriculture Act 2020 (c. 21), s. 57(1)(b)(c)(6), Sch. 3 para. 4
- F37 Words in s. 12(4) omitted (11.11.2020 for specified purposes, 11.1.2021 in so far as not already in force) by virtue of Agriculture Act 2020 (c. 21), s. 57(1)(b)(c)(6), Sch. 3 para. 2(6)(a)
- **F38** Words in s. 12(4) 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. 8(4)(a)**
- F39 Words in s. 12(4) substituted (11.11.2020 for specified purposes, 11.1.2021 in so far as not already in force) by Agriculture Act 2020 (c. 21), s. 57(1)(b)(c)(6), Sch. 3 para. 2(6)(b)
- **F40** Words in s. 12(4) substituted (11.11.2020 for specified purposes, 11.1.2021 in so far as not already in force) by Agriculture Act 2020 (c. 21), s. 57(1)(b)(c)(6), Sch. 3 para. 2(6)(c)
- **F41** Words in s. 12(4) substituted (11.11.2020 for specified purposes, 11.1.2021 in so far as not already in force) by Agriculture Act 2020 (c. 21), s. 57(1)(b)(c)(6), **Sch. 3 para. 2(6)(d)**

13 Increases of rent for landlord's improvements.

- (1) Where the landlord of an agricultural holding has carried out on the holding any improvement to which this section applies he may by notice in writing served on the tenant within six months from the completion of the improvement increase the rent of the holding as from the completion of the improvement by an amount equal to the increase in the rental value of the holding attributable to the carrying out of the improvement.
- (2) This section applies to—
 - (a) an improvement carried out at the request of, or in agreement with, the tenant,
 - (b) an improvement carried out in compliance with a direction given by the Tribunal under section 11 above,
 - (c) an improvement carried out in pursuance of a notice served by the landlord under section 67(5) below,
 - (d) an improvement carried out in compliance with a direction given by the Minister under powers conferred on him by or under any enactment,

- (e) works executed on the holding for the purpose of complying with the requirements of a notice under section 3 of the MI Agriculture (Safety, Health and Welfare Provisions) Act 1956 (provision of sanitary conveniences and washing facilities),
- (f) an improvement carried out in compliance with an improvement notice served, or an undertaking accepted, under Part VII of the M2 Housing Act 1985 or Part VIII of the M3 Housing Act 1974.
- (3) No increase of rent shall be made under subsection (1) above in respect of an improvement within paragraph (a), (b) or (f) of subsection (2) above if within six months from its completion the landlord and tenant agree on any increase of rent or other benefit to the landlord in respect of the improvement.
- (4) The increase in rent provided for by subsection (1) above shall be reduced proportionately—
 - (a) in the case of an improvement within paragraph (b) of subsection (2) above, where a grant has been made to the landlord in respect of the improvement out of money provided by Parliament,
 - (b) in the case of an improvement within any other paragraph of that subsection, where a grant has been made to the landlord in respect of the improvement out of money provided by Parliament or local government funds, and
 - (c) in the case of an improvement within paragraph (f) of that subsection, where the tenant has contributed to the cost incurred by his landlord in carrying out the improvement.
- (5) Where, on the failure of a landlord to carry out an improvement specified in such a direction as is referred to in subsection (2)(b) above, the tenant has himself carried out the improvement, the provisions of this section shall apply as if the improvement had been carried out by the landlord and as if any grant made to the tenant in respect of the improvement out of money provided by Parliament had been made to the landlord.
- (6) No increase in rent shall take effect by virtue of subsection (5) above until the tenant has recovered from the landlord the reasonable cost of the improvement reduced by the amount of any grant made to the tenant in respect of the improvement out of money provided by Parliament.
- (7) Any dispute arising between the landlord and the tenant of the holding under this section shall be determined by arbitration under this Act.
- [F42(7A) Notwithstanding subsection (7) above, the landlord and the tenant may instead refer the dispute for third party determination under this Act.]
 - (8) This section applies to an improvement whether or not it is one for the carrying out of which compensation is provided under Part V or VI of this Act.

Textual Amendments

F42 S. 13(7A) 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. 9**

Modifications etc. (not altering text)

C1 S. 13 modified by Opencast Coal Act 1958 (c. 69, SIF 86), s. 14(7) as substituted by Housing and Planning Act 1986 (c. 63, SIF 86), s. 39(3), Sch. 8 para. 5

Changes to legislation: There are currently no known outstanding effects for the Agricultural Holdings Act 1986, Part II. (See end of Document for details)

Marginal Citations M1 1956 c. 49. M2 1985 c. 68. M3 1974 c. 44.

Cultivation of land and disposal of produce

14 Variation of terms of tenancies as to permanent pasture.

- (1) This section applies where a contract for a tenancy of an agricultural holding provides for the maintenance of specified land, or a specified proportion of the holding, as permanent pasture.
- (2) Where this section applies, the landlord or tenant may, by notice in writing served on the other, demand a reference to arbitration under this Act of the question whether it is expedient in order to secure the full and efficient farming of the holding that the area of land required to be maintained as permanent pasture should be reduced.
- [^{F43}(2A) Where the landlord or tenant has the right under subsection (2) above to demand that the question described in that subsection shall be referred to arbitration under this Act, the landlord and tenant may instead refer that question for third party determination under this Act.]
 - (3) On a reference under subsection (2) [F44] or (2A)] above the arbitrator [F45] or third party] may by his award [F46] or (as the case may be) his determination] direct that the provisions of the contract of tenancy as to land which is to be maintained as permanent pasture or is to be treated as arable land and as to cropping shall have effect subject to such modifications as may be specified in the direction.
 - (4) If, on a reference under subsection (2) [F47 or (2A)] above, the arbitrator [F48 or third party] gives a direction reducing the area of land which under the contract of tenancy is to be maintained as permanent pasture, he may order that the contract of tenancy shall have effect as if it provided that on quitting the holding on the termination of the tenancy the tenant should leave—
 - (a) as permanent pasture, or
 - (b) as temporary pasture sown with seeds mixture of such kind as may be specified in the order,

such area of land (in addition to the area of land required by the contract of tenancy, as modified by the direction, to be maintained as permanent pasture) as may be so specified.

(5) The area of land specified in an order made under subsection (4) above shall not exceed the area by which the land required by the contract of tenancy to be maintained as permanent pasture has been reduced by virtue of the direction.

Textual Amendments

- **F43** S. 14(2A) 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. 10(2)**
- F44 Words in s. 14(3) 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. 10(3)(a)

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- **F45** Words in s. 14(3) 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. 10(3)(b)**
- **F46** Words in s. 14(3) 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. 10(3)(c)**
- F47 Words in s. 14(4) 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. 10(4)(a)
- **F48** Words in s. 14(4) 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. 10(4)(b)**

15 Disposal of produce and cropping.

- (1) Subject to the provision of this section and to section 82 below, the tenant of an agricultural holding shall (notwithstanding any custom of the country or the provisions of the contract of tenancy or of any agreement respecting the disposal of crops or the method of cropping of arable land) have, without incurring any penalty, forfeiture or liability, the following rights, namely—
 - (a) to dispose of the produce of the holding, other than manure produced on the holding, and
 - (b) to practise any system of cropping of the arable land on the holding.
- (2) Subsection (1) above shall not apply—
 - (a) in the case of a tenancy from year to year, as respects the year before the tenant quits the holding or any period after he has given or received notice to quit which results in his quitting the holding, or
 - (b) in the case of any other tenancy, as respects the year before its termination.
- (3) Subject to any agreement in writing to the contrary, the tenant of an agricultural holding shall not at any time after he has given or received notice to quit the holding sell or remove from the holding any manure or compost or any hay or straw or roots grown in the last year of the tenancy unless the landlord's written consent has been obtained before the sale or removal.
- (4) Before, or as soon as possible after, exercising his rights under subsection (1) above, a tenant shall make suitable and adequate provision—
 - (a) in the case of an exercise of the right to dispose of produce, to return to the holding the full equivalent manurial value of all crops sold off or removed from the holding in contravention of the custom, contract or agreement, and
 - (b) in the case of an exercise of the right to practise any system of cropping, to protect the holding from injury or deterioration.
- (5) If the tenant of an agricultural holding exercises his rights under subsection (1) above in such manner as to, or to be likely to, injure or deteriorate the holding, the landlord shall have the following remedies, but no other, namely—
 - (a) the right to obtain, if the case so requires, an injunction to restrain the exercise of those rights in that manner, and
 - (b) the right in any case, on the tenant's quitting the holding on the termination of the tenancy, to recover damages for any injury to or deterioration of the holding attributable to the exercise by the tenant of those rights.
- (6) For the purposes of any proceedings for an injunction brought under paragraph (a) of subsection (5) above, the question whether the tenant is exercising, or has exercised, his rights under subsection (1) above in such a manner as to, or to be likely to, injure or

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deteriorate his holding shall be determined by arbitration under this Act; and the award of the arbitrator shall, for the purposes of any proceedings brought under subsection (5) (including an arbitration [^{F49}or third party determination] under paragraph (b)) be conclusive proof of the facts stated in the award.

- [F50(6A) Notwithstanding subsection (6) above, the landlord and tenant may agree that, for the purposes of proceedings brought by the landlord under paragraph (a) of subsection (5) above, the question described in subsection (6) is instead to be referred for third party determination under this Act.
 - (6B) On a reference under subsection (6A) above, the determination of the third party shall, for the purposes of any proceedings brought under subsection (5) above (including an arbitration or third party determination under paragraph (b)) be conclusive proof of the facts stated in the determination.]
 - (7) In this section—

"arable land" does not include land in grass which, by the terms of a contract of tenancy, is to be retained in the same condition throughout the tenancy; and

"roots" means the produce of any root crop of a kind normally grown for consumption on the holding.

Textual Amendments

- **F49** Words in s. 15(6) 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. 11(2)**
- **F50** S. 15(6A)(6B) 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. 11(3)**

Distress

F5116 No distress for rent due more than a year previously. Textual Amendments

para. 42, **Sch. 23 Pt. 4** (with s. 89); S.I. 2014/768, art. 2(1)(b)

F51 Ss. 16-19 repealed (6.4.2014) by Tribunals, Courts and Enforcement Act 2007 (c. 15), s. 148, Sch. 14

F5117 Compensation to be set off against rent for purposes of distress.

Textual Amendments

F51 Ss. 16-19 repealed (6.4.2014) by Tribunals, Courts and Enforcement Act 2007 (c. 15), s. 148, Sch. 14 para. 42, **Sch. 23 Pt. 4** (with s. 89); S.I. 2014/768, art. 2(1)(b)

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F51 18	Restrictions on distraining on property of third party.
	Fig. 1. Amendments Ss. 16-19 repealed (6.4.2014) by Tribunals, Courts and Enforcement Act 2007 (c. 15), s. 148, Sch. 14 para. 42, Sch. 23 Pt. 4 (with s. 89); S.I. 2014/768, art. 2(1)(b)
F5119	Settlement of disputes as to distress.

Textual Amendments

F51 Ss. 16-19 repealed (6.4.2014) by Tribunals, Courts and Enforcement Act 2007 (c. 15), s. 148, Sch. 14 para. 42, Sch. 23 Pt. 4 (with s. 89); S.I. 2014/768, art. 2(1)(b)

Miscellaneous

[F5219A Disputes relating to requests for landlord's consent or variation of terms

- (1) The appropriate authority may by regulations make provision for the tenant of an agricultural holding to refer for arbitration under this Act a request made by the tenant to the landlord where—
 - (a) the request falls within subsection (3), and
 - (b) no agreement has been reached with the landlord on the request.
- (2) The regulations may also provide that, where the tenant is given the right to refer a request to arbitration, the landlord and tenant may instead refer the request for third party determination under this Act.
- (3) A request falls within this subsection if—
 - (a) it is a request for—
 - (i) the landlord's consent to a matter which under the terms of the tenancy requires such consent, or
 - (ii) a variation of the terms of the tenancy,
 - (b) it is made for the purposes of—
 - (i) enabling the tenant to request or apply for relevant financial assistance or relevant financial assistance of a description specified in the regulations, or
 - (ii) complying with a statutory duty, or a statutory duty of a description specified in the regulations, applicable to the tenant, and
 - (c) it meets such other conditions (if any) as may be specified in the regulations.
- (4) The regulations may provide for the arbitrator or third party on a reference made under the regulations, where the arbitrator or third party considers it reasonable and just (as between the landlord and tenant) to do so—
 - (a) to order the landlord to comply with the request (either in full or to the extent specified in the award or determination);

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- (b) to make any other award or determination permitted by the regulations.
- (5) The regulations may (among other things) make provision—
 - (a) about conditions to be met before a reference may be made;
 - (b) about matters which an arbitrator or third party is to take into account when considering a reference;
 - (c) for regulating the conduct of arbitrations or third party determinations;
 - (d) about the awards or determinations which may be made by the arbitrator or third party, which may include making an order for a variation in the rent of the holding or for the payment of compensation or costs;
 - (e) about the time at which, or the conditions subject to which, an award or determination may be expressed to take effect;
 - (f) for restricting a tenant's ability to make subsequent references to arbitration where a reference to arbitration or third party determination has already been made under the regulations in relation to the same tenancy.
- (6) The provision covered by subsection (5)(e) includes, in the case of a request made for the purpose described in subsection (3)(b)(i), conditions relating to the making of a successful application for assistance.
- (7) In this section—
 - "appropriate authority" means—
 - (a) in relation to England, the Secretary of State, and
 - (b) in relation to Wales, the Welsh Ministers;
 - "relevant financial assistance" means financial assistance under—
 - (a) section 1 of the Agriculture Act 2020 (powers of Secretary of State to give financial assistance),
 - (b) section 21 of, or paragraph 8 of Schedule 5 to, that Act (powers of Secretary of State and Welsh Ministers to give financial assistance in exceptional market conditions), or
 - (c) a scheme of the sort mentioned in section 2(4) of that Act (third party schemes);
 - "statutory duty" means a duty imposed by or under—
 - (a) an Act of Parliament;
 - (b) an Act or Measure of Senedd Cymru;
 - (c) retained direct EU legislation.]

Textual Amendments

F52 S. 19A inserted (11.11.2020 for specified purposes, 11.1.2021 in so far as not already in force) by Agriculture Act 2020 (c. 21), s. 57(1)(b)(c)(6), **Sch. 3 para.** 7

20 Compensation for damage by game.

(1) Where the tenant of an agricultural holding has sustained damage to his crops from any wild animals or birds the right to kill and take which is vested in the landlord or anyone (other than the tenant himself) claiming under the landlord, being animals or birds which the tenant has not permission in writing to kill, he shall, if he complies with the requirements of subsection (2) below, be entitled to compensation from his landlord for the damage.

- (2) The requirements of this subsection are that the tenant shall give his landlord—
 - (a) notice in writing within one month after the tenant first became, or ought reasonably to have become, aware of the occurrence of the damage,
 - (b) a reasonable opportunity to inspect the damage—
 - (i) in the case of damage to a growing crop, before the crop is begun to be reaped, raised or consumed, and
 - (ii) in the case of damage to a crop which has been reaped or raised, before the crop is begun to be removed from the land, and
 - (c) notice in writing of the claim, together with particulars of it, within one month after the expiry of the year in respect of which the claim is made.
- (3) For the purposes of subsection (2) above—
 - (a) seed once sown shall be treated as a growing crop whether or not it has germinated, and
 - (b) "year" means any period of twelve months ending, in any year, with 29th September or with such other date as may by agreement between the landlord and tenant be substituted for that date.
- (4) The amount of compensation under this section shall, in default of agreement made after the damage has been suffered, be determined by arbitration under this Act.
- [F53(4A) Notwithstanding subsection (4) above, the tenant and landlord may instead refer for third party determination under this Act the question of the amount of compensation to which the tenant is entitled.]
 - (5) Where the right to kill and take the wild animals or birds that did the damage is vested in some person other than the landlord, the landlord shall be entitled to be indemnified by that other person against all claims for compensation under this section; and any question arising under this subsection shall be determined by arbitration under this Act.
 - [F54(6) Notwithstanding subsection (5) above, the landlord and the other person may instead refer for third party determination under this Act the questions arising between them under that subsection.]

Textual Amendments

- F53 S. 20(4A) 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. 12(2)
- F54 S. 20(6) 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. 12(3)

21 Extension of tenancies in lieu of claims to emblements.

(1) Where the tenancy of an agricultural holding held by a tenant at a rackrent determines by the death or cesser of the estate of any landlord entitled for his life, or for any other uncertain interest, instead of claims to emblements the tenant shall continue to hold and occupy the holding until the occupation is determined by a twelve months' notice to quit expiring at the end of a year of the tenancy, and shall then quit upon the terms of his tenancy in the same manner as if the tenancy were then determined by effluxion of time or other lawful means during the continuance of his landlord's estate.

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- (2) The succeeding landlord shall be entitled to recover from the tenant, in the same manner as his predecessor could have done, a fair proportion of the rent for the period which may have elapsed from the date of the death or cesser of the estate of his predecessor to the time of the tenant so quitting.
- (3) The succeeding landlord and the tenant respectively shall as between themselves and as against each other be entitled to all the benefits and advantages and be subject to the terms, conditions and restrictions to which the preceding landlord and the tenant respectively would have been entitled and subject if the tenancy had determined in manner aforesaid at the expiry of the said twelve months' notice.

22 Rights to require certain records to be made.

- (1) At any time during the tenancy of an agricultural holding—
 - (a) the landlord or the tenant may require the making of a record of the condition of the fixed equipment on the holding and of the general condition of the holding itself (including any parts not under cultivation), and
 - (b) the tenant may require the making of a record of any fixtures or buildings which, under section 10 above, he is entitled to remove and of existing improvements executed by him or in respect of the execution of which he, with the written consent of the landlord, paid compensation to an outgoing tenant.
- (2) Any such record shall be made by a person appointed, [F55] by the landlord and tenant ("the parties") or, in default of agreement between the parties, by a person appointed by a professional authority on the application of either of them; and any person appointed by a professional authority] may, on production of evidence of his appointment, enter the holding at all reasonable times for the purpose of making any such record.
- [F56(2A) A party may not make an application to a professional authority under subsection (2) in any case if the other party has already made an application to a professional authority under that subsection in that case.]
 - (3) The cost of making any such record shall, in default of agreement between the landlord and tenant, be borne by them in equal shares.
 - (4) No application may be made to [F57a professional authority] for a person to be appointed by [F58that authority] under subsection (2) above unless the application is accompanied by such fee as may be prescribed as the fee for such an application.
 - (5) Any instrument of appointment purporting to be made by [F59a professional authority] by virtue of subsection (2) above and to be signed by or on behalf of [F60that authority] shall be taken to be such an instrument unless the contrary is shown.
 - [F61(6) In this section "professional authority" has the same meaning as in section 84.]

Textual Amendments

- F55 Words in s. 22(2) substituted (11.11.2020 for specified purposes, 11.1.2021 in so far as not already in force) by Agriculture Act 2020 (c. 21), s. 57(1)(b)(c)(6), Sch. 3 para. 5(2)
- F56 S. 22(2A) inserted (11.11.2020 for specified purposes, 11.1.2021 in so far as not already in force) by Agriculture Act 2020 (c. 21), s. 57(1)(b)(c)(6), Sch. 3 para. 5(3)
- F57 Words in s. 22(4) substituted (11.11.2020 for specified purposes, 11.1.2021 in so far as not already in force) by Agriculture Act 2020 (c. 21), s. 57(1)(b)(c)(6), Sch. 3 para. 5(4)(a)

- Words in s. 22(4) substituted (11.11.2020 for specified purposes, 11.1.2021 in so far as not already in force) by Agriculture Act 2020 (c. 21), s. 57(1)(b)(c)(6), Sch. 3 para. 5(4)(b)
- F59 Words in s. 22(5) substituted (11.11.2020 for specified purposes, 11.1.2021 in so far as not already in force) by Agriculture Act 2020 (c. 21), s. 57(1)(b)(c)(6), Sch. 3 para. 5(5)(a)
- Words in s. 22(5) substituted (11.11.2020 for specified purposes, 11.1.2021 in so far as not already in force) by Agriculture Act 2020 (c. 21), s. 57(1)(b)(c)(6), Sch. 3 para. 5(5)(b)
- F61 S. 22(6) inserted (11.11.2020 for specified purposes, 11.1.2021 in so far as not already in force) by Agriculture Act 2020 (c. 21), s. 57(1)(b)(c)(6), Sch. 3 para. 5(6)

Modifications etc. (not altering text)

C2 S. 22(2) amended (1.3.1996) by S.I. 1996/337, art. 2(a).

23 Landlord's power of entry.

The landlord of an agricultural holding or any person authorised by him may at all reasonable times enter on the holding for any of the following purposes, namely—

- (a) viewing the state of the holding,
- (b) fulfilling the landlord's responsibilities to manage the holding in accordance with the rules of good estate management,
- (c) providing or improving fixed equipment on the holding otherwise than in fulfilment of those responsibilities.

24 Restriction of landlord's remedies for breach of contract of tenancy.

Notwithstanding any provision in a contract of tenancy of an agricultural holding making the tenant liable to pay a higher rent or other liquidated damages in the event of a breach or non-fulfilment of a term or condition of the contract, the landlord shall not be entitled to recover in consequence of any such breach or non-fulfilment^{F62}... any sum in excess of the damage actually suffered by him in consequence of the breach or non-fulfilment.

Textual Amendments

F62 Words in s. 24 repealed (6.4.2014) by Tribunals, Courts and Enforcement Act 2007 (c. 15), s. 148, Sch. 14 para. 43, **23 Pt. 4** (with s. 89); S.I. 2014/768, art. 2(1)(b)

Status:

Point in time view as at 17/03/2021.

Changes to legislation:

There are currently no known outstanding effects for the Agricultural Holdings Act 1986, Part II.