

2006 No. 2628

LANDLORD AND TENANT, ENGLAND

**The Agricultural Holdings (Units of Production) (England)
Order 2006**

<i>Made</i> - - - -	<i>2nd October 2006</i>
<i>Laid before Parliament</i>	<i>5th October 2006</i>
<i>Coming into force</i> - -	<i>7th November 2006</i>

The Secretary of State, in exercise of the powers conferred by paragraph 4 of Schedule 6 to the Agricultural Holdings Act 1986(a), and now vested in him(b), makes the following Order:

Title, commencement and interpretation

1.—(1) This Order may be cited as the Agricultural Holdings (Units of Production) (England) Order 2006 and comes into force on 7th November 2006.

(2) In this Order—

“Council Regulation 1782/2003” means Council Regulation (EC) No. 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain direct support schemes for farmers and amending certain regulations(c), as last amended by Commission Regulation (EC) No. 1156/2006(d);

“disadvantaged land” (except in the expression “severely disadvantaged land”) means any area of land shown coloured blue on the England LFA maps;

“eligible hectare” has the same meaning as in Article 44(2) of Council Regulation 1782/2003;

“the England LFA maps” means the three volumes of maps numbered 1 to 3, each volume being marked “Volume of maps of less-favoured farming areas in England”, dated 20th May 1991, signed and sealed by the Minister of Agriculture, Fisheries and Food and deposited at the offices of the Department for Environment, Food and Rural Affairs, Ergon House, Horseferry Road, London SW1P 2AL;

“moorland” means all the land that is—

- (a) severely disadvantaged land, and
- (b) shown coloured pink in the three volumes of maps entitled “Moorland Map of England 2006” each volume being marked with the number of the volume, dated 13th February 2006, signed on behalf of the Secretary of State for Environment, Food and Rural Affairs and deposited at the offices of the Department for Environment, Food and Rural Affairs, Ergon House, Horseferry Road, London SW1P 2AL;

(a) 1986 c.5; section 96(1) of that Act defines “the Minister”.

(b) In relation to England, the functions previously vested in the Minister of Agriculture, Fisheries and Food are vested in the Secretary of State - see article 5(1) of, and paragraph 27 of Schedule 1 to, the Ministry of Agriculture, Fisheries and Food (Dissolution) Order 2002 (S.I. 2002/794).

(c) O.J. No. L270, 21.10.2003, p.1.

(d) O.J. No. L208, 29.7.2006, p.3.

“severely disadvantaged land” means any area of land shown coloured pink on the England LFA maps.

Assessment of productive capacity of land

2.—(1) Paragraphs (2) and (3) of this article have effect for the purpose of the assessment of the productive capacity of a unit of agricultural land situated in England, in order to determine whether that unit is a commercial unit of agricultural land within the meaning of paragraph 3(1) of Schedule 6 to the Agricultural Holdings Act 1986.

(2) Where the land in question is capable, when farmed under competent management, of being used to produce any livestock, farm arable crop, outdoor horticultural crop or fruit as is mentioned in any of the entries 1 to 3 in column 1 of the Schedule to this Order, then—

- (a) the unit of production prescribed in relation to that use of the land shall be the unit in the entry in column 2 of that Schedule opposite to that entry; and
- (b) the amount determined, for the period of 12 months beginning with 7th November 2006, as the net annual income from that unit of production in that period shall be the amount in the entry in column 3 of that Schedule opposite to that entry as read with any relevant note to that Schedule.

(3) Where land capable, when farmed under competent management, of producing a net annual income is in receipt of hill farm allowance, or was set aside from production in 2005, or was an eligible hectare in 2005, as is mentioned in entries 4, 5 and 6 respectively in column 1 of the Schedule to this Order, then—

- (a) the unit of production prescribed in relation to that use of the land shall be the unit in the entry in column 2 of that Schedule opposite to that entry; and
- (b) the amount determined, for the period of 12 months beginning with 7th November 2006, as the net annual income from that unit of production in that period shall be the amount in the entry in column 3 of that Schedule opposite to that entry.

Revocation

- 3. The Agricultural Holdings (Units of Production) (England) Order 2005^(a) is revoked.

2nd October 2006

Jeff Rooker
Minister of State
Department for Environment, Food and Rural Affairs

(a) S.I. 2005/2867.

SCHEDULE

Article 2

PRESCRIBED UNITS OF PRODUCTION AND DETERMINATION OF NET ANNUAL INCOME

<i>Column 1</i> <i>Farming use</i>	<i>Column 2</i> <i>Unit of production</i>	<i>Column 3</i> <i>Net annual income from unit of production (£)</i>
1. Livestock		
Dairy cows (other than Channel Islands breeds)	cow	302
Beef breeding cows:		
	On less favoured area land under the Hill Farm Allowance Regulations 2006(a)	cow -138
	On other land	cow -59
Beef fattening cattle (semi-intensive)	head	-57(1)
Dairy replacements	head	80(2)
Ewes:		
	On less favoured area land under the Hill Farm Allowance Regulations 2006	ewe 8
	On other land	ewe 19
Store lambs (including ewe lambs sold as shearlings)	head	2
Pigs:		
	Sows and gilts in pig	sow or gilt 160
	Porker	head 3
	Cutter	head 5.50
	Bacon	head 8.20
Poultry:		
	Laying hens	bird 2
	Broilers	bird 0.24
	Point-of-lay pullets	bird 0.45
Christmas Turkeys	bird	4.50
2. Farm arable crops		
Barley	hectare	24
Beans	hectare	54.18(3)
Herbage seed	hectare	230
Oilseed rape	hectare	22
Peas:		

(a) S.I. 2006/225.

<i>Column 1</i> <i>Farming use</i>	<i>Column 2</i> <i>Unit of production</i>	<i>Column 3</i> <i>Net annual income from unit of production (£)</i>
	Dried	hectare 14.18(3)
	Vining	hectare 350
Potatoes:	First early	hectare 1800
	Maincrop (including seed)	hectare 1500
Sugar Beet		hectare 250
Wheat		hectare 35
3. Outdoor horticultural crops and fruit		
Root vegetables and onions		hectare 2500
Brassicas		hectare 1750
Fresh peas and beans		hectare 1100
Orchard fruit		hectare 1300
Soft fruit		hectare 3600
4. Forage Land		
Eligible forage area as defined in regulation 2(1) of the Hill Farm Allowance Regulations 2006	hectare	The amount of hill farm allowance required to be paid under regulations 3 and 7 of the Hill Farm Allowance Regulations 2006
5. Set-aside		
Land which was, in 2005, set-aside from production under Article 54(3) of Council Regulation 1782/2003:		
	Severely disadvantaged land, excluding moorland	hectare -19.91
	Disadvantaged land	hectare -16.77
	All other land	hectare -120.77
6. Eligible hectares		
Land which was, in 2005, an eligible hectare for the purposes of Council Regulation 1782/2003, except land which was set-aside from production under Article 54(3) of that Regulation:		
	Moorland	hectare -9.85
	Severely disadvantaged land, excluding moorland	hectare 128.40
	Disadvantaged land	hectare 169.43
	All other land	hectare 65.63

NOTES TO THE SCHEDULE

- 1.** This is the figure for animals which would be kept for 12 months. In the case of animals kept for less than 12 months a pro-rata adjustment of this figure is to be made.
- 2.** This is the figure for animals (irrespective of age) which would be kept for 12 months. In the case of animals kept for less than 12 months a pro-rata adjustment of this figure is to be made.
- 3.** This figure includes the protein crop premium provided for in Article 76 of Council Regulation 1782/2003.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order prescribes units of production for the assessment of the productive capacity of agricultural land situated in England and sets out the amount which is to be regarded as the net annual income from each such unit for the year 7th November 2006 to 6th November 2007 inclusive. This Order revokes the Agricultural Holdings (Units of Production) (England) Order 2005.

An assessment of the productive capacity of agricultural land is required in determining whether or not the land in question is a “commercial unit of agricultural land” for the purposes of the succession provisions in the Agricultural Holdings Act 1986: see in particular sections 36(3) and 50(2). A “commercial unit of agricultural land” is land which, when farmed under competent management, is capable of producing a net annual income which is not less than the aggregate of the average annual earnings of two full-time male agricultural workers aged 20 years or over (paragraph 3 of Schedule 6 to the 1986 Act). Article 2 of this Order provides that, in determining this annual income figure, whenever a particular farming use mentioned in column 1 of the Schedule is relevant to the assessment of the productive capacity of the land in question, the units of production and the net annual income specified in columns 2 and 3 respectively will form the basis of that assessment.

The net annual income figures in column 3 of the Schedule describe the net annual income from one unit of production. In some cases the net annual income is derived from a unit which will be on the land for the full twelve-month period. In other cases the net annual income is derived from a unit which will be on the land for only part of the year, and there may be more than one production cycle in the twelve-month period. The assessment of the productive capacity of the land will take account of the total production in the course of a year.

This Order includes net annual income figures for land which was, in 2005, an eligible hectare for the purposes of Council Regulation (EC) No. 1782/2003 (O.J. No. L270, 21.10.2003, p.1), which establishes the Single Payment Scheme. There are separate figures in the Schedule for moorland, severely disadvantaged land excluding moorland, disadvantaged land and other land. There are also separate figures for land which was set-aside from production in 2005.

A regulatory impact assessment has not been prepared for this instrument as it has no impact on the costs of business.

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**The Agricultural Holdings (Units of Production) (England)
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