STATUTORY INSTRUMENTS

2012 No. 2573

LANDLORD AND TENANT, ENGLAND

The Agricultural Holdings (Units of Production) (England) Order 2012

Made - - - - 8th October 2012

Laid before Parliament 12th October 2012

Coming into force - - 7th November 2012

The Secretary of State, in whom the powers conferred by paragraph 4 of Schedule 6 to the Agricultural Holdings Act 1986(1) are now vested(2), makes the following Order in exercise of those powers.

Citation, commencement, application and interpretation

1.—(1) This Order may be cited as the Agricultural Holdings (Units of Production) (England) Order 2012, applies to England only, and comes into force on 7th November 2012.

(2) In this Order—

"Council Regulation 73/2009" means Council Regulation (EC) No. 73/2009 establishing common rules for direct support schemes for farmers under the common agricultural policy and establishing certain support schemes for farmers, and amending and repealing certain Regulations(3);

"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 34(2) of Council Regulation 73/2009;

"the England LFA maps" means the four volumes of maps entitled "Less Favoured Area Map of England 2009", each volume being marked with the number of the volume, dated 29th January 2010, 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 at Ergon House, Horseferry Road, London SW1P 2AL;

^{(1) 1986} c.5; section 96(1) of that Act defines "the Minister".

⁽²⁾ 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).

⁽³⁾ OJ No L 30, 31.1.2009, p.16, last amended by Regulation (EU) No 671/2012 (OJ No L 204, 31.7.2012, p.11).

"less favoured area" means any area of land shown coloured blue or pink on the England LFA maps;

"moorland" means all the land that is-

- (a) severely disadvantaged land, and
- (b) shown coloured brown in the three volumes of maps entitled "Moorland Map of England 2009", each volume being marked with the number of the volume, dated 29th January 2010, 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 at Ergon House, Horseferry Road, London SW1P 2AL;

"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) 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 is 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 2012, as the net annual income from that unit of production in that period is 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 the subject of an uplands transitional payment (see entry 4 in column 1 of the Schedule to this Order), or was an eligible hectare in 2011 (see entry 5 in column 1), then—
 - (a) the unit of production prescribed in relation to that use of the land is 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 2012, as the net annual income from that unit of production in that period is 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 2011(4) is revoked.

David Heath
Minister of State
Department for Environment, Food and Rural
Affairs

Date 8th October 2012

SCHEDULE

Article 2

PRESCRIBED UNITS OF PRODUCTION AND DETERMINATION OF NET ANNUAL INCOME

| Column 1 | | Column 2 | Column 3 |
|--|---------------------------------|--------------------|---|
| Farming use | | Unit of production | Net annual income from unit of production (£) |
| 1. Livestock | | | |
| Dairy cows | | cow | 400 |
| Beef breeding cows: | on land in a less favoured area | cow | -163 |
| | on other land | cow | -146 |
| Beef fattening cattle (semi-intensive) | | head | -92 ⁽¹⁾ |
| Dairy replacements | | head | 102(2) |
| Ewes: | on land in a less favoured area | ewe | -13 |
| | on other land | ewe | -7 |
| Store lambs (including ewe lambs sold as shearlings) | | head | 4.50 |
| Pigs: | sows and gilts in pig | sow or gilt | 235 |
| | porker | head | 8.30 |
| | cutter | head | 11.60 |
| | bacon | head | 14.70 |
| Poultry: | laying hens | bird | 3.60 |
| | broilers | bird | 0.30 |
| | point-of-lay pullets | bird | 0.60 |
| Christmas turkeys | | bird | 5.30 |
| 2. Farm arable crops | | | |
| Barley | | hectare | 147 |
| Beans | | hectare | 155 |
| Oilseed rape | | hectare | 293 |
| Dried peas | | hectare | 297 |
| Potatoes: | first early | hectare | 1405 |

⁽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.

| Column 1 | | Column 2 | Column 3 |
|---|---|--------------------|---|
| Farming use | | Unit of production | Net annual income from unit of production (£) |
| | maincrop (including seed) | hectare | 2475 |
| Sugar beet | | hectare | 297 |
| Wheat | | hectare | 421 |
| 3. Outdoor horticultural cr | ops and fruit | | |
| Orchard fruit | | hectare | 2700 |
| Soft fruit | | hectare | 7750 |
| 4. Forage land | | | |
| Eligible forage area as defined in regulation 2 of the Uplands Transitional Payment Regulations 2012(5) | | hectare | the amount of uplands transitional payment required to be paid under regulations 3 and 5 of the Uplands Transitional Payment Regulations 2012 |
| 5. Eligible hectares | | | |
| Land which was, in 2011, an eligible hectare for the purposes of Council Regulation 73/2009 | moorland | hectare | -31.43 |
| | severely disadvantaged land, excluding moorland | hectare | 150.85 |
| | disadvantaged land | hectare | 152.70 |
| | all other land | hectare | 100.70 |

⁽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.

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 2012 to 6th November 2013 for certain purposes of the Agricultural Holdings Act 1986 ("the 1986 Act"). This Order revokes the Agricultural Holdings (Units of Production) (England) Order 2011 (S.I. 2011/2451).

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 1986 Act: see in particular sections 36(3) and 50(2). A "commercial unit of agricultural land" is a unit of agricultural 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.

This Order includes net annual income figures for land which was, in 2011, an eligible hectare for the purposes of Council Regulation (EC) No 73/2009 (OJ No L 30, 31.1.2009, p.16); it also provides, by reference to the Uplands Transitional Payment Regulations 2012 (S.I. 2012/114), net annual income figures for land which is the subject of uplands transitional payments under those Regulations.

An impact assessment has not been produced for this instrument as no impact on business or the private or voluntary sector is foreseen.