

2023 No. 18

LANDLORD AND TENANT, ENGLAND

**The Agricultural Holdings (Units of Production) (England)
Order 2023**

| | | |
|-------------------------------|---------|---------------------------|
| <i>Made</i> | - - - - | <i>11th January 2023</i> |
| <i>Laid before Parliament</i> | | <i>12th January 2023</i> |
| <i>Coming into force</i> | | <i>23rd February 2023</i> |

The Secretary of State makes this Order in exercise of the powers conferred by paragraph 4 of Schedule 6 to the Agricultural Holdings Act 1986(a).

Citation, commencement and extent

1.—(1) This Order may be cited as the Agricultural Holdings (Units of Production) (England) Order 2023 and comes into force on 23rd February 2023.

(2) This Order extends to England and Wales.

Interpretation

2. In this Order—

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

“eligible hectare”(b) has the same meaning as in Article 32(2) of Regulation 1307/2013;

“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 Intelligence Hub at the offices of the Department for Environment, Food and Rural Affairs at Nobel House, 17 Smith Square, London, SW1P 3JR(c);

“less favoured area” means any area of disadvantaged land or severely disadvantaged land;

“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

(a) 1986 c. 5. See section 96(1) for the definition of “the Minister” (in relation to England).
(b) Eligible hectares are entitled to receive direct payments made under the basic payment scheme (BPS rates) established by Regulation 1307/2013 (as defined in this Order).
(c) Maps showing less favoured areas in England can be accessed online at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/666713/structure-june-eng-lessfavouredareas-13dec17.xls.

2010, signed on behalf of the Secretary of State for Environment, Food and Rural Affairs and deposited at the Intelligence Hub at the offices of the Department for Environment, Food and Rural Affairs at Nobel House, 17 Smith Square, London, SW1P 3JR;

“Regulation 1307/2013” means Regulation (EU) No 1307/2013 of the European Parliament and of the Council establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy(a), as it had effect on 31st December 2021;

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

Assessment of productive capacity of land

3.—(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—

- (a) the unit of production prescribed in relation to that use of the land is the unit in the corresponding entry in Column 2; and
- (b) the amount determined, for the period of 12 months beginning with 23rd February 2023, as the net annual income from that unit of production in that period is the amount in the corresponding entry in Column 3, as read with any relevant note to the Schedule.

(3) Where the land in question is capable, when farmed under competent management, of producing a net annual income and was an eligible hectare in 2021 in accordance with entry 4 in Column 1 of the Schedule—

- (a) the unit of production prescribed in relation to that use of the land is the unit in the corresponding entry in Column 2; and
- (b) the amount determined, for the period of 12 months beginning with 23rd February 2023 as the net annual income from that unit of production in that period is the amount in the corresponding entry in Column 3.

Revocation of the Agricultural Holdings (Units of Production) England (No. 2) Order 2021

4. The Agricultural Holdings (Units of Production) (England) (No. 2) Order 2021(b) is revoked.

Mark Spencer
Minister of State

11th January 2023

Department for Environment, Food and Rural Affairs

SCHEDULE

Article 3

Prescribed units of production and determination of net annual income

| <i>Column 1</i> | <i>Column 2</i> | <i>Column 3</i> |
|--------------------|---------------------------|---------------------------------------|
| <i>Farming use</i> | <i>Unit of production</i> | <i>Net annual income from unit of</i> |

(a) EUR 2013/1307, amended by S.I. 2020/91 and S.I. 2021/407; there are other amending instruments but none is relevant. This Regulation was incorporated into domestic law by section 1 of the Direct Payments to Farmers (Legislative Continuity) Act 2020 (c. 2).

(b) S.I. 2021/1440.

| | | | <i>production (£)</i> |
|---|---|-------------|-----------------------|
| 1. Livestock | | | |
| Dairy cows | | Cow | 813.00 |
| Beef breeding cows: | on land in a less favoured area | Cow | -106.00 |
| | on other land | Cow | -156.00 |
| Beef fattening cattle (semi-intensive) | | Head | -18.00 ⁽¹⁾ |
| Dairy replacements | | Head | 99.00 ⁽¹⁾ |
| Ewes: | on land in a less favoured area | Ewe | -12.00 |
| | on other land | Ewe | 23.00 |
| Store lambs (including ewe-lambs sold as shearlings) | | Head | 9.00 |
| Pigs: | sows and gilts in pig | Sow or gilt | 269.00 |
| | porker | Head | 9.10 |
| | cutter | Head | 12.10 |
| | bacon | Head | 14.50 |
| Poultry: | laying hens | Bird | 4.20 |
| | broilers | Bird | 0.30 |
| | point of lay pullets | Bird | 0.80 |
| Christmas turkeys | | Bird | 12.50 |
| 2. Farm arable crops | | | |
| Barley | | Hectare | 397.00 |
| Beans | | Hectare | 135.00 |
| Oilseed rape | | Hectare | 294.00 |
| Dried peas | | Hectare | -50.00 |
| Potatoes: | first early | Hectare | 3460.00 |
| | maincrop (including seed) | Hectare | 2410.00 |
| Sugar beet | | Hectare | 460.00 |
| Wheat | | Hectare | 480.00 |
| 3. Outdoor horticultural crops and fruit | | | |
| Orchard fruit | | Hectare | 3460.00 |
| Soft fruit | | Hectare | 15460.00 |
| 4. Eligible hectare | | | |
| Land which was, in 2021, an eligible hectare ⁽²⁾ within the meaning of Regulation 1307/2013: | moorland | Hectare | -1.90 |
| | severely disadvantaged land, excluding moorland | Hectare | 154.00 |
| | disadvantaged land | Hectare | 35.70 |
| | all other land | Hectare | -49.00 |

⁽¹⁾ This is the figure for animals (irrespective of age) which are 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⁾ The figures given in Column 3, for a hectare of the type of land described in Column 1, are the BPS rate applicable to that unit of production for the relevant farming use in 2021 adjusted to take off 5% to account for the operation of Article 11A of Regulation 1307/2013 (5% being the minimum reduction all claimants under the basic payment scheme will be subject to), average rents and 2% for cross compliance. The BPS rates are those confirmed on 28th October 2021 at <https://www.gov.uk/government/news/basic-payment-scheme-2021-entitlement-rates>. Hard copies can be obtained from the Rural Payments Agency, P.O. Box 69, Reading, RG1 3YD.

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 from 23rd February 2023 to 22nd February 2024 for certain purposes of the Agricultural Holdings Act 1986 (c. 5) (“the 1986 Act”).

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 (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 (as defined in paragraph 3 of Schedule 6 to the 1986 Act).

Article 3 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.

Article 3 also includes net annual income figures for land which was, in 2021, an eligible hectare within the meaning of Article 32(2) of Regulation (EU) No 1307/2013 of the European Parliament and of the Council establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy (EUR 2013/1307).

Article 4 revokes the Agricultural Holdings (Units of Production) (England) (No. 2) Order 2021 (S.I. 2021/1440).

Hard copies of the England LFA maps (as defined in article 2) and the Moorland Map of England 2009 can be obtained by emailing farming-statistics@defra.gov.uk or writing to the Farming Statistics Team at Room 201, Foss House, 1-2 Peasholme Green, York, YO1 7PX.

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

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