

2016 No. 1082 (W. 258)

**LANDLORD AND TENANT,
WALES**

**The Agricultural Holdings (Units of
Production) (Wales) Order 2016**

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 Wales and sets out the amount which is to be regarded as the net annual income from each such unit for the year 12 September 2016 to 11 September 2017 for certain purposes of the Agricultural Holdings Act 1986 (“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: 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 2015, 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 (OJ No L 347, 20.12.2013, p. 608). There are separate figures in the Schedule for severely disadvantaged land,

disadvantaged land, land in a less favoured area and other land.

The Welsh Ministers' Code of Practice on the carrying out of Regulatory Impact Assessments was considered in relation to this Order. As a result, it was not considered necessary to carry out a regulatory impact assessment as to the likely costs and benefits of complying with this Order.

2016 No. 1082 (W. 258)

**LANDLORD AND TENANT,
WALES**

**The Agricultural Holdings (Units of
Production) (Wales) Order 2016**

Made 9 November 2016

*Laid before the National Assembly
for Wales*

10 November 2016

Coming into force 2 December 2016

The Welsh Ministers, in exercise of the powers conferred by paragraph 4 of Schedule 6 to the Agricultural Holdings Act 1986(1) and now vested in them(2), make the following Order.

Title, commencement, application and interpretation

1.—(1) The title of this Order is the Agricultural Holdings (Units of Production) (Wales) Order 2016, it applies in relation to Wales, and comes into force on 2 December 2016.

(2) In this Order—

(1) 1986 c. 5; section 96(1) of that Act defines “the Minister”.
(2) Functions conferred under the Agricultural Holdings Act 1986 (c. 5) were transferred to the National Assembly for Wales by article 2 of and Schedule 1 to the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I. 1999/672). Those functions are now exercisable by the Welsh Ministers by virtue of section 162 of, and paragraph 30 of Schedule 11 to, the Government of Wales Act 2006 (c. 32).

“designated maps” (“*mapiau dynodedig*”) means the two volumes of maps numbered 1 and 2 each volume being marked “Volume of maps of less favoured farming areas in Wales” and with the number of the volume dated 20 May 1991 and signed by the Secretary of State for Wales and deposited at the offices of the Welsh Government, Cathays Park, Cardiff, CF10 3NQ;

“disadvantaged land” (“*tir dan anfantais*”) (except in the expression “severely disadvantaged land”) means any area of land shown coloured blue on the designated maps;

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

“less favoured area” (“*ardal lai ffafriol*”) means disadvantaged land or severely disadvantaged land;

“Regulation 1307/2013” (“*Rheoliad 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⁽¹⁾;

“severely disadvantaged land” (“*tir dan anfantais ddifrifol*”) means the area of land shown coloured pink on the designated 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 Wales, 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 12 September 2016, as

(1) OJ No L 347, 20.12.2013, p. 608, as last amended by Commission Delegated Regulation (EU) 2016/142 (OJ No L 28, 4.2.2016, p. 8) and corrected by Corrigendum (OJ No L 130, 19.5.2016, p. 8).

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 was an eligible hectare in 2015 (see entry 4 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 12 September 2016, 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.

Lesley Griffiths

Cabinet Secretary for Environment and Rural Affairs, one of the Welsh Ministers.

9 November 2016

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	cow	420
Beef breeding cows:	on land in a less favoured area	cow
	on other land	cow
Beef fattening cattle (semi-intensive)	head	-71 ⁽¹⁾
Dairy replacements	head	106 ⁽²⁾
Ewes:	on land in a less favoured area	ewe
	on other land	ewe
Store lambs (including ewe lambs sold as shearlings)	head	4.6
Pigs:	sows and gilts in pig	sow or gilt
	porker	head
	cutter	head
	bacon	head
Poultry:	laying hens	bird
	broilers	bird
	point-of-lay pullets	bird
Christmas turkeys	bird	6
2. Farm arable crops		
Barley	hectare	-124
Beans	hectare	-3
Oilseed rape	hectare	11
Dried peas	hectare	-30
Potatoes:	first early	hectare
	maincrop (including seed)	hectare
Sugar beet	hectare	300
Wheat	hectare	20
3. Outdoor horticultural crops and fruit		
Orchard fruit	hectare	2,370
Soft fruit	hectare	7,480
4. Eligible hectares		
Land which was in 2015, an eligible hectare for the purposes of Regulation 1307/2013	severely disadvantaged land	hectare
	disadvantaged land	hectare
	all other land	hectare

⁽¹⁾ This is the figure for animals 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⁾ 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.