

Regulatory Appraisal – The Agricultural Holdings (Units of Production) (Wales) Order 2004

Purpose and intended effect

This Instrument replaces the Agricultural Holdings (Units of Production) (Wales) Order 2003. This will enable the Agricultural Land Tribunal to deal effectively with applications to succession of agricultural tenancies. Agricultural Tenancy cases brought before the Agricultural Land Tribunal (Wales) are complex and may require calculations based upon the data contained within the proposed Order for a decision.

Risk Assessment

There is no risk or hazard applicable if the Order is made, but if no action is taken, the Agricultural Land Tribunal (Wales) will be unable to operate concerning succession of agricultural tenancy cases, and this may lead to legal action against it.

The Units of Production Order is a requirement under Schedule 6 of the Agricultural Holdings Act 1986 and is used in certain contested cases of succession.

Options

There is no real alternative to introducing this Order. Should it not be introduced the work of the Agricultural Land Tribunal (Wales) in cases of contested succession to tenancy would be unable to take place until such time as the SI did come in to force. This could lead to legal action being brought against the National Assembly for Wales. Agricultural Land Tribunals come under the jurisdiction of the Department for Constitutional Affairs and are the courts of first instance. In Wales the Secretariat is provided by the National Assembly for Wales.

Benefits

Both Landlords and relatives wishing to succeed a deceased relative to an agricultural tenancy will benefit from the introduction of the Order, as the Order will allow the Agricultural Land Tribunal to listen and adjudicate on succession cases.

Costs

There are no costs to the Assembly, to the farming industry or to members of the public, associated with this Order. Any administrative costs involved with the introduction of the legislation will be met from existing Agricultural Land Tribunal (ALT) budget provisions.

Competitive Assessment

There are no issues of competition associated with this Instrument.

Consultation

Given the nature of the proposed Instrument, wider consultation with stakeholders would not have been deemed appropriate as the Instrument is routine and technical in nature and is only applied in around 4 cases of an

average of 20 cases for succession reviewed annually. The figures in the Units of Production Orders are calculated by Department of Environment, Food and Rural Affairs' Economics Division on data derived from various sources and represent the net annual income on average of each type of crop and livestock in England and Wales..

Review

Although no review of the impact of this Order will take place, a review of the content will take place this summer with a view to updating the figures using the data that will be applied for the period 12 September 2004 to 11 September 2005.

Summary

This Order will bring Wales into line with England where an Order has already been made allowing Agricultural Land Tribunals in England to operate effectively.