



Agriculture Act 1970

1970 CHAPTER 40

PART III

SMALLHOLDINGS IN ENGLAND AND WALES

Preliminary

37 Interpretation of Part III

(1) In this Part of this Act, except in so far as the context otherwise requires, the following expressions have the following meanings respectively, that is to say—

" existing smallholding " means a unit of land which, being held by a smallholdings authority or (as the case may be) by the Minister for the purposes of smallholdings, is for the time being let as a smallholding (whether under this Act or under the previous enactments relating to smallholdings) or, if it is not for the time being in use, was so let when it was last in use;

" the Minister " (subject to section 62 of this Act) means the Minister of Agriculture, Fisheries and Food ;

" the Ministers " means the Minister and the Secretary of State for Wales and, in the case of anything falling to be done by the Ministers, means those Ministers acting jointly;

" smallholdings estate ", in relation to anything falling to be done by a smallholdings authority, means the aggregate of the land which is for the time being held by the authority for the purposes of smallholdings ;

" the previous enactments relating to smallholdings " means any of the following, that is to say, the Small Holdings and Allotments Acts 1908 to 1931 and Part IV of the Agriculture Act 1947 ;

" working capital ", in relation to a smallholding, includes any sum paid or payable by an incoming tenant (whether to the landlord or to the outgoing tenant) in respect of compensation paid or payable to an outgoing tenant.

(2) In this Part of this Act—

Status: This is the original version (as it was originally enacted).

- (a) any reference to land held by a smallholdings authority for the purposes of smallholdings shall be construed as including a reference to any land in which an interest is so held by the authority, other than a right to take possession arising under the provisions of the Small Holdings and Allotments Acts 1908 to 1931 ;
 - (b) any reference to smallholdings provided by a small holdings authority is a reference to any land which is for the time being held by the authority for the purposes of smallholdings and let as a smallholding, whether under this Part of this Act or under the previous enactments relating to smallholdings ;
 - (c) any reference to the purposes of smallholdings, in relation to any time before the commencement of this Part of this Act, shall be construed as a reference to the purposes which were the purposes of smallholdings in accordance with Part IV of the Agriculture Act 1947.
- (3) Any reference in this Part of this Act to the creation of a new smallholding shall be construed as a reference to any letting of land by a smallholdings authority or by the Minister where—
- (a) the land is for the time being held by the authority or the Minister for the purposes of smallholdings and the letting is a letting of the land as a smallholding ;
 - (b) immediately before it is so let, the land or part of it is being used (or, if it is not then in use, is land which was last used) otherwise than as land held and let as mentioned in the preceding paragraph ; and,
 - (c) the land so let is not a holding resulting from such an enlargement or amalgamation as is mentioned in section 40(2)(a) of this Act or resulting from a similar enlargement or amalgamation effected by the Minister.
- (4) Subsections (1), (3) and (5) of section 109 of the Agriculture Act 1947 (interpretation) shall have effect for the purposes of this Part of this Act as they have effect for the purposes of that Act.
- (5) It is hereby declared that the provisions of sections 46 and 47 of this Act with respect to the powers of smallholdings authorities relate only to their capacity as corporations; and nothing in those provisions shall be construed as authorising, on the part of any smallholdings authority, any act or omission which apart from those provisions would be actionable at the suit of any person on any grounds other than a limitation imposed by law on the capacity of the authority as a corporation.

Reorganisation of smallholdings

38 Smallholdings authorities

The following councils shall be smallholdings authorities, that is to say—

- (a) the Greater London Council;
- (b) the council of every county in England and Wales;
- (c) every county borough council who immediately before the commencement of this Part of this Act hold any land for the purposes of smallholdings, except any such council in respect of whom a direction is given under section 57(2) of this Act; and
- (d) any county borough council in respect of whom a direction under section 57(1) of this Act is for the time being in force.

39 General aim of statutory smallholdings

- (1) In the performance of their functions under this Part of this Act smallholdings authorities, having regard to the general interests of agriculture and of good estate management, shall make it their general aim to provide opportunities for persons to be farmers on their own account by letting holdings to them being persons who satisfy the requirements of subsection (2) and of any regulations made under subsection (6) of section 44 of this Act and holdings which, unless let in accordance with proposals approved by virtue of section 41(4) of this Act, fall within the upper limit for a smallholding.
- (2) For the purposes of the foregoing subsection and section 41(3) and (4) of this Act, a holding shall be treated as falling within the upper limit for a smallholding if in the opinion of the Minister it is capable, when farmed under reasonably skilled management, of providing full-time employment for not more than two men (including the person to whom it is let) with or without additional part-time employment for another man, and in any other case shall be treated as exceeding that upper limit, the number of men for whom it is capable of providing full-time employment being estimated in such manner as the Ministers may by regulations prescribe.

40 Reorganisation of smallholdings estates

- (1) Every smallholdings authority who immediately before the commencement of this Part of this Act hold any land for the purposes of smallholdings shall review the authority's smallholdings estate and (subject to any direction given under subsection (4) of this section) shall, before the end of the period of eighteen months beginning with the commencement of this Part of this Act or such extended period as in any particular case the Minister may allow, submit to the Minister proposals with respect to the future management of that estate.
- (2) For the purposes of this section each smallholdings authority shall in particular consider to what extent (if any), with a view to giving effect to the general aim specified in section 39(1) of this Act and having regard to the general interests of agriculture and of good estate management, the authority's smallholdings estate should be reorganised—
 - (a) by enlarging one or more existing smallholdings or amalgamating the whole or part of one or more existing smallholdings with other land (whether that other land is or forms part of an existing smallholding, or is otherwise comprised in the authority's smallholdings estate, or not) with or without the carrying out of improvements in connection with any such enlargement or amalgamation, or
 - (b) by improving one or more existing smallholdings with out any enlargement or amalgamation, or
 - (c) by creating one or more new smallholdings, with or without the carrying out of improvements in connection therewith.
- (3) Any proposals of a smallholdings authority under this section shall be formulated so as to comply with any general directions given by the Ministers, or with any special directions given to the authority by the Minister, as to the form of the proposals or as to the particulars to be contained in them.
- (4) If, on the application of a smallholdings authority, the Minister is satisfied that the authority's smallholdings estate is not suitable to be reorganised as mentioned in

subsection (2) of this section, he may give a direction exempting the authority from the duty to submit proposals under this section.

41 Approval by Minister of proposals for reorganisation

- (1) Where any proposals have been submitted to the Minister by a smallholdings authority under section 40 of this Act, the Minister, subject to the following provisions of this section, may approve the proposals, or may reject them and direct the authority to submit to him new proposals under that section within such time as may be specified in the direction.
- (2) Where the Minister approves any such proposals, he may approve them either as submitted or with such modifications as he considers appropriate, and may approve them (with or without such modifications) either unconditionally or subject to conditions; and in the following provisions of this Part of this Act any reference to the approval of any such proposals by the Minister is a reference to his approving them in any way authorised by the preceding provisions of this subsection.
- (3) Subject to subsection (4) of this section, the Minister shall not approve any proposals of a smallholdings authority under section 40 of this Act in so far as it appears to him that an existing smallholding as enlarged or improved in accordance with the proposals, or a holding resulting from a proposed amalgamation, or a new smallholding proposed to be created, would exceed the upper limit for a smallholding.
- (4) The Minister may approve any such proposals of a smallholdings authority notwithstanding that it appears to him that, in the case of one or more holdings, the upper limit for a smallholding would be exceeded, if it is represented to him by the authority, and he is satisfied—
 - (a) that the holdings are to be let as smallholdings in accordance with section 44 of this Act, and
 - (b) that, by reason of the nature or extent of fixed equipment on the holding or holdings, or of the special qualities of the soil, or of other exceptional circumstances, it is necessary or expedient for them to exceed that limit.
- (5) Subject to subsections (3) and (4) of this section, in determining whether to approve any proposals of a smallholdings authority submitted under section 40 of this Act the Minister shall have regard to the considerations specified in subsection (2) of that section.
- (6) Where any proposals of a smallholdings authority under section 40 of this Act have been approved by the Minister, then, until those proposals are amended or superseded by subsequent proposals so approved, it shall be the duty of the smallholdings authority—
 - (a) to perform their functions under the following provisions of this Part of this Act in such a way as to give effect to those proposals as so approved, and
 - (b) if the approval of the Minister is given subject to conditions, to comply with those conditions.

42 Subsequent reviews and proposals for further reorganisation

- (1) Where proposals have been submitted to the Minister by a smallholdings authority under section 40 of this Act, and the Minister has approved those proposals, the Minister, at any time after the end of the period of five years beginning with the date

Status: This is the original version (as it was originally enacted).

of approval, may direct the smallholdings authority to carry out a further review of their smallholdings estate and to submit to him further proposals with respect to the future management of that estate.

- (2) A smallholdings authority to whom the Minister has given a direction under subsection (1) of this section shall comply with that direction within such period as may be specified in the direction or such extended period as the Minister may allow; and any proposals submitted in compliance with such a direction shall indicate how far the authority's previous proposals, as approved by the Minister, are intended to remain unaltered and how far they are to be amended or superseded by the new proposals.
- (3) Subsections (2) and (3) of section 40 and subsections (1) to (5) of section 41 of this Act shall have effect (subject to the necessary modifications) in relation to proposals submitted to the Minister under this section as they have effect in relation to proposals submitted to him under the said section 40.
- (4) The power of the Minister under subsection (1) of this section to direct a further review shall include power to direct subsequent reviews where proposals have been approved by him by virtue of this section, but with intervals of not less than five years between the date of approval and any direction requiring a further review ; and accordingly—
 - (a) in subsection (1) of this section the reference to proposals submitted to the Minister under section 40 of this Act shall be construed as including a reference to proposals submitted to him in accordance with subsections (1) and (2) of this section, and
 - (b) in subsection (2) of this section the reference to a direction given by the Minister under subsection (1) of this section shall be construed accordingly.
- (5) Where by virtue of this section the Minister has approved proposals amending or superseding proposals previously approved by him, then, until further proposals amending or superseding the proposals for the time being in force are approved by the Minister, it shall be the duty of the smallholdings authority—
 - (a) to perform their functions under the subsequent provisions of this Part of this Act in such a way as to give effect to the proposals as approved by the Minister and for the time being in force, and
 - (b) if the approval of the Minister to the proposals for the time being in force has been given subject to conditions, to comply with those conditions.
- (6) Where under subsection (4) of section 40 of this Act the Minister has given a direction exempting a smallholdings authority from the duty to submit proposals under that section, the Minister may revoke that direction at any time after the end of the period of five years beginning with the date on which it was given; and where such a direction is revoked the provisions of sections 40 and 41 of this Act shall have effect in relation to that authority as if, in subsection (1) of the said section 40, the reference to the commencement of this Part of this Act were a reference to the date of the revocation, and any reference in this Part of this Act to proposals submitted under the said section 40 or approved under the said section 41 shall be construed accordingly.
- (7) In relation to proposals of which different parts are approved by the Minister on different dates, any reference in this section to the date of approval shall be construed as a reference to the latest of those dates.

43 Submission and approval of proposals otherwise than in connection with reviews

- (1) Where a smallholdings authority, other than an exempt smallholdings authority, propose to carry out any such transaction as is mentioned in paragraph (a), paragraph (b) or paragraph (c) of section 40(2) of this Act, and the transaction—
 - (a) would be inconsistent with any previous proposals of the authority as approved by the Minister and for the time being in force under the preceding provisions of this Part of this Act, and has not been provided for by any proposals previously approved under this section, and
 - (b) is intended to be carried out at a time when no review of the authority's smallholdings estate is required to be carried out by a direction given by the Minister under those provisions,the authority shall submit to the Minister proposals under this section for carrying out that transaction.
- (2) Any proposals submitted by a smallholdings authority under subsection (1) of this section shall be by way of amending the previous proposals of the authority approved by the Minister under the preceding provisions of this Part of this Act, in the form in which (whether as originally approved or as subsequently amended) those proposals are for the time being in force.
- (3) Where an exempt smallholdings authority propose to carry out any such transaction as is mentioned in paragraph (a) or paragraph (c) of section 40(2) of this Act, and the transaction has not been provided for by any proposals of the authority previously approved by the Minister under this section, the authority shall submit to the Minister proposals under this section for carrying out that transaction.
- (4) An exempt smallholdings authority proposing to carry out any such transaction as is mentioned in paragraph (b) of section 40(2) of this Act may, if (having regard to the provisions of section 51 of this Act) it appears to the authority to be expedient to do so, submit to the Minister proposals under this section for carrying out that transaction.
- (5) Subsection (3) of section 40 and subsections (1) to (5) of section 41 of this Act shall have effect (subject to the necessary modifications) in relation to proposals submitted to the Minister under this section as they have effect in relation to proposals submitted to him under the said section 40.
- (6) Subject to subsection (7) of this section, where the Minister has approved any proposals under this section, subsection (5) of section 42 of this Act shall have effect as if those proposals had been approved under that section.
- (7) In the case of proposals submitted by an exempt smallholdings authority and approved by the Minister under this section, subsection (6) of section 41 of this Act shall have effect as if those proposals had been approved under that section.
- (8) In this section " exempt smallholdings authority " means a smallholdings authority in respect of which a direction given under section 40(4) of this Act is for the time being in force.

Management of smallholdings

44 Letting of smallholdings

- (1) Any land held by a smallholdings authority for the purposes of smallholdings may be let by them as a smallholding in accordance with the following provisions of this section.
- (2) Subject to subsection (3) of this section, no land shall be so let except to a person who is to farm the holding and either—
 - (a) is regarded by the authority as being qualified by reason of his agricultural experience to farm the holding on his own account, or
 - (b) is a person in respect of whom the authority are satisfied that within a reasonably short time he will become eligible to be so regarded.
- (3) Notwithstanding anything in subsection (2) of this section, a smallholdings authority may let land under this section as a smallholding, or as part of a group of two or more smallholdings, to two or more persons proposing to farm the land together on a co-operative system if, having regard to the aggregate agricultural experience of those persons, the authority are satisfied that they are, or will within a reasonably short time become, qualified to farm the land together on such a system on their own account.
- (4) Subject to subsection (5) of this section, a smallholdings authority shall not under this section—
 - (a) let any holding resulting from such an enlargement or amalgamation as is mentioned in section 40(2)(a) of this Act, or
 - (b) create any new smallholding,unless the enlargement or amalgamation, or the creation of a new smallholding, as the case may be, is in accordance with proposals which have been approved by the Minister and are for the time being in force under the preceding provisions of this Part of this Act.
- (5) Subsection (4) of this section shall not apply to the letting of any holding, or the creation of a new smallholding, if—
 - (a) the letting or creation is effected by the smallholdings authority with the consent in writing of the Minister, and
 - (b) that consent is given before any proposals have been submitted by the authority under section 40 of this Act or before any proposals so submitted by the authority have been approved by the Minister.
- (6) Regulations made by the Ministers may make provision as to the selection of tenants to whom land may be let under this section, and in particular—
 - (a) may specify requirements (whether as to agricultural experience or otherwise) to be fulfilled by persons to whom land is to be let under this section, and
 - (b) may require smallholdings authorities, before letting land under this section, to take such preparatory steps as may be prescribed by the regulations.

45 Rent to be charged for smallholdings

- (1) A smallholdings authority in determining the rent at which any land is to be let by them under section 44 of this Act, shall have regard to the rent which, in their opinion, might reasonably be expected to be determined to be the rent properly payable if—

Status: This is the original version (as it was originally enacted).

- (a) the land were already let as an agricultural holding;
 - (b) the terms of that letting (other than terms relating to rent) were those on which the smallholdings authority propose to let the land in question; and
 - (c) the question what rent should be payable in respect of that agricultural holding had been referred to arbitration under the enactments relating to agricultural holdings which are for the time being in force.
- (2) For the purposes of the foregoing subsection it shall be assumed that, on any such arbitration as is mentioned in paragraph (c) of that subsection, there would be no improvements, or matters treated as equivalent to improvements, and no dilapidation, deterioration or damage, of which, in accordance with the enactments referred to in that paragraph, special account (whether by way of reducing or increasing the rent determined) would fall to be taken in determining what rent should be payable.
- (3) Subsection (1) of this section (but without the assumptions specified in subsection (2) thereof) shall have effect in relation to any revision by agreement of the rent at which any land has been let by a smallholdings authority as a smallholding (whether under section 44 of this Act or under the previous enactments relating to smallholdings) as it has effect in relation to determining the rent at which any land is to be let under the said section 44.

46 Equipment of smallholdings

- (1) A smallholdings authority shall have power to provide, improve, maintain and repair fixed equipment on land held by the authority for the purposes of smallholdings, and to carry out any other improvements on or for the benefit of any such land.
- (2) The power conferred by the foregoing subsection shall include power to enter into an agreement with a tenant of any such land for—
- (a) the provision, improvement, maintenance or repair by the tenant of fixed equipment on the land, or
 - (b) the carrying out by the tenant of other improvements on or for the benefit of the land,
- on such terms as may be specified in the agreement.

47 General powers of management

- (1) Subject to the provisions of this Part of this Act, a smallholdings authority shall have all such powers as are required by the authority for the management of land held by them for the purposes of smallholdings.
- (2) A smallholdings authority shall have power, for the benefit of the occupiers of smallholdings provided by the authority, to further the formation of bodies of persons, whether corporate or unincorporate, having for their object or one of their objects the promotion of efficiency in the conduct of smallholdings through co-operative methods, and in particular through co-operative purchase and hiring of requisites for the smallholdings or the co-operative sale, marketing or preparation for marketing of the produce of the smallholdings, and to assist the carrying on and extension of the activities of such bodies.
- (3) To such extent as appears to a smallholdings authority to be expedient for the purpose of assisting the conduct of smallholdings provided by the authority, or of promoting

co-operative schemes for the conduct of such smallholdings, the authority shall have power—

- (a) to acquire by purchase or hiring machinery and other equipment, live or dead stock, seeds, fertilisers and any other requisites and to sell or let them on such terms as may be decided by the authority, and
 - (b) to provide services on such terms as may be so decided.
- (4) A smallholdings authority shall have power to carry out arrangements made by the authority for the disposal by the authority of the produce of smallholdings provided by them.

48 Acquisition of land for purposes of smallholdings

- (1) Where in the exercise of their powers under section 157 of the Local Government Act 1933 (power of local authorities to acquire land by agreement) a smallholdings authority propose to acquire for the purposes of smallholdings any land outside their area, they shall consult the council of the county or county borough in whose area the land is situated.
- (2) Notwithstanding anything in that Act or in any other enactment, a smallholdings authority shall not be authorised to acquire any land compulsorily for the purposes of smallholdings.

49 Surplus land held for purposes of smallholdings

- (1) Where any land held by a smallholdings authority for the purposes of smallholdings is not for the time being required for use for those purposes, the authority may let it for such period and for such purpose as they think fit, at the best rent which appears to them to be obtainable for it for that purpose and on such other terms as they may determine.
- (2) In subsection (1) of this section the reference to letting land shall be construed as including references—
 - (a) to the grant, with the approval of the Minister, of a licence to a person to occupy the land for use as agricultural land, and
 - (b) to the grant of a licence to a person to occupy the land,where the land is to be used only for grazing or mowing during a specified period of the year.
- (3) Section 164 of the Local Government Act 1933 (power to let land) shall not have effect so as to enable a smallholdings authority by virtue of that section to let, otherwise than in accordance with section 44 of this Act or subsection (1) of this section, any land which is for the time being held by the authority for the purposes of smallholdings.
- (4) The preceding provisions of this section shall have effect without prejudice to any power exercisable by a smallholdings authority under section 163 (power to appropriate land) or section 165 (power to sell or exchange land) of the Local Government Act 1933.

Financial aid for smallholdings

50 Grants in respect of certain amalgamations, etc.

Any scheme under section 26 of the Agriculture Act 1967 as amended by Part II of this Act which makes provision for grants to smallholdings authorities in respect of expenditure incurred in connection with the carrying out of transactions to give effect to proposals approved and for the time being in force under sections 40 to 43 of this Act and which provides that this section is to have effect in relation to the scheme shall provide for such grants to be payable only in such cases as the Minister may, with the approval of the Treasury, determine; and no such grant shall be made under that scheme to a smallholdings authority in respect of expenditure incurred in connection with any particular transaction unless an application for the making of the grant has been made by the authority in accordance with the scheme within five years from the date when the scheme comes into operation ; but—

- (a) the application may be made at any time after the authority have submitted to the Minister proposals under the said section 40 which include proposals relating to that transaction or have submitted to the Minister proposals relating to that transaction under the said section 43 ; and
- (b) where the transaction is comprised in proposals submitted under the said section 40, the grant may be made at any time after the Minister has approved so much of those proposals as relates to that transaction whether any other part of the proposals submitted by the authority has then been approved or not.

51 Increase of certain capital grants

- (1) Where a grant is made to a smallholdings authority under a scheme made under any provision of this Act in respect of expenditure which—

- (a) was or is to be incurred in the carrying out or provision of works or facilities of such description as the Minister may specify for the purposes of this section in that scheme which are, in the opinion of the Minister, required for giving effect to proposals approved by him under section 41 or 43 of this Act; and
- (b) qualified in accordance with the provisions of the scheme for consideration for the grant before the expiration of the period of five years beginning with the date when the first scheme under the provision of this Act in question providing for grants to smallholdings authorities came into operation,

the Minister may increase the amount of that grant by an amount equal to one-tenth of the expenditure in respect of which the grant was made; but no such increase shall be granted if the land on which the works or facilities were or are to be carried out or provided constitutes or forms part of a holding which, in the opinion of the Minister, would without those works or facilities be a commercial unit within the meaning of Part II of the Agriculture Act 1967.

- (2) An application to the Minister for an increase of grant by virtue of subsection (1) of this section in respect of any works or facilities may be made by a smallholdings authority at any time after the authority—

- (a) have submitted to the Minister proposals under section 40 of this Act which include the proposals in connection with which the authority claim that the works or facilities are required (hereafter in this subsection referred to as "the relevant proposals "); or
- (b) have submitted the relevant proposals to the Minister under section 43 of this Act;

and, where the relevant proposals are comprised in proposals submitted under the said section 40, the increase may be granted at any time after the Minister has approved so much of the proposals submitted under that section as consists of the relevant proposals, whether any other part of the proposals so submitted by the authority has been so approved or not.

52 Contributions under previous enactments

- (1) The Minister shall not approve any proposals and estimates under section 58 of the Agriculture Act 1947 (contributions by Minister to losses incurred by smallholdings authorities) if the estimates are submitted to him under subsection (1) of that section after the passing of this Act.
- (2) Regulations made by the Ministers with the approval of the Treasury—
 - (a) may require any smallholdings authority to furnish the Minister with such particulars as may be determined in accordance with the regulations of any sale or exchange of land which immediately before the commencement of this Part of this Act is held by the authority for the purposes of smallholdings, of any appropriation of such land for other purposes, and of any letting of such land otherwise than under section 44 of this Act;
 - (b) may empower the Minister to adjust, in such manner as he thinks fit having regard to any such particulars furnished by a smallholdings authority, the amount or aggregate amount of any contributions payable to that authority under section 2 of the Small Holdings and Allotments Act 1926 or section 58 of the Agriculture Act 1947, in a case where the land sold, exchanged, appropriated or let is land which has been or formed part of—
 - (i) land in respect of which payments have been made under section 27 of the Land Settlement (Facilities) Act 1919 ; or
 - (ii) land in the case of which contributions have been made or undertaken to be made under the said section 2 or the said section 58 in connection with proposals and estimates relating to that land;
 - (c) may provide for withholding or reducing any such contributions where any requirement imposed on a smallholdings authority by or under this Part of this Act or section 58 of the Agriculture Act 1947 is not complied with;
 - (d) may make provision as to the making of applications for the payment of any such contributions which have been agreed to be made, and as to the time at which payments of any such contributions may be made, and for enabling the Minister to require a smallholdings authority to whom any such contributions have been paid to furnish the Minister with any particulars required by the Minister before payment of contributions is continued ; and
 - (e) may make provision for empowering persons authorised by the Minister to inspect books and other documents of a smallholdings authority relating to transactions in connection with which any such contributions are payable to the authority.
- (3) Any regulations made under this section may revoke—
 - (a) so much of any regulations for the time being in force under section 58 of the Agriculture Act 1947 as was made in pursuance of any provisions of that section which are repealed by this Act, and
 - (b) any regulations made under section 2 of the Small Holdings and Allotments Act 1926 in their application to holdings other than cottage holdings;

but nothing in this subsection shall be construed as affecting the exercise of any power to revoke or vary so much of any regulations made under the said section 58 as was made in pursuance of any provisions not repealed by this Act.

- (4) Where any regulations exercise a power of revocation conferred by subsection (3) of this section, the regulations may contain such transitional provisions with respect to matters in progress under the regulations so revoked as the Ministers may consider appropriate having regard to the provisions of subsection (2) of this section and of section 62 of this Act.
- (5) In this section " contributions " includes any payments; and in subsection (2) (b) of this section the reference to adjusting the amount or aggregate amount of any contributions payable to a smallholdings authority shall be construed as including a reference to terminating all or any contributions so payable.

53 Loans and guarantees by smallholdings authorities

- (1) A smallholdings authority may make loans for the purpose of providing working capital for a tenant of a smallholding provided by the authority, or for a person intending to become such a tenant, or may guarantee the repayment of, and the payment of interest on, any loan made for that purpose by another person.
- (2) A loan made or guaranteed by a smallholdings authority under this section in respect of a smallholding (or, if two or more loans are so made or guaranteed, the aggregate amount of those loans) shall not exceed three-quarters of the aggregate working capital which in the opinion of the authority is required for the proper working of the smallholding.
- (3) Subject to subsection (4) of this section, every loan made by a smallholdings authority under this section shall bear interest at a rate of one-half of one per cent, above the rate which, on the date of the agreement to make the loan, is the rate for the time being determined by the Treasury in accordance with section 5 of the National Loans Act 1968 in respect of local loans made on the security of local rates on that date and for the same period as that loan.
- (4) Where, on the date of the agreement for a loan under this section, there are two or more rates of interest for the time being determined by the Treasury as mentioned in subsection (3) of this section, the reference in that section to the rate so determined shall be construed as a reference to such one of those rates as may be specified in a direction given by the Treasury for the purposes of this section.
- (5) The Treasury shall cause any direction given under subsection (4) of this section to be published in the London Gazette as soon as may be after giving it.
- (6) A smallholdings authority shall not guarantee a loan under this section which bears a rate of interest in excess of the rate which would be chargeable if the loan were made by the authority under this section.
- (7) No loan shall be made or guaranteed under this section except in pursuance of an agreement in writing specifying the maximum period of the loan or guarantee and the rate of interest on the loan.
- (8) In this section " local loans " and " made on the security of local rates " have the same meanings as in section 6(2) of the National Loans Act 1968.

Additional powers of Minister in relation to smallholdings

54 Land held by Minister for purposes of smallholdings

- (1) This section applies to any land which is for the time being held by the Minister for the purposes of smallholdings.
- (2) Subject to the following provisions of this section, in relation to land to which this section applies the Minister shall have the like duties and powers as smallholdings authorities have under the provisions of sections 44 to 47 and 49(1) and (2) of this Act in relation to land held by them for the purposes of smallholdings, as if in those provisions any reference to smallholdings provided by a smallholdings authority were a reference to smallholdings on land to which this section applies.
- (3) Where for the purpose of assisting the conduct of smallholdings on land to which this section applies the Minister has (whether before or after the commencement of this Part of this Act) acquired by purchase or hiring machinery or other equipment, live or dead stock, seeds, fertilisers or other requisites, or provides any services, the powers of the Minister under section 47(3) of this Act, as applied by subsection (2) of this section, shall include power to sell or let them to, or (as the case may be) to provide the services for, any persons, whether they are tenants of smallholdings or not.
- (4) Where any arrangements are made by the Minister under section 47(4) of this Act, as applied by subsection (2) of this section, and it appears to the Minister that any facilities provided in accordance with the arrangements are not required to be reserved exclusively for disposing of the produce of smallholdings on land to which this section applies, the arrangements may include provision for the use of those facilities for disposing of the produce of other agricultural holdings.
- (5) Subject to subsection (6) of this section, the Minister may, in accordance with arrangements made by him with the approval of the Treasury, make loans for the purpose of providing working capital for a tenant of a smallholding on land to which this section applies, or for a person intending to become such a tenant.
- (6) A loan made by the Minister under subsection (5) of this section in respect of a smallholding (or, if two or more loans are so made, the aggregate amount of those loans) shall not exceed three-quarters of the aggregate working capital which in the opinion of the Minister is required for the proper working of the smallholding.
- (7) The Minister may designate any land for the time being vested in him as being land held by him for the purposes of smallholdings, and may at any time revoke any such designation ; and—
 - (a) any land comprised in such a designation which is for the time being in force shall for the purposes of this section be taken to be land held by the Minister for the purposes of smallholdings, whether apart from the designation it would be taken to be so held or not, and
 - (b) any land in respect of which such a designation has been revoked under this subsection shall be conclusively presumed to be land not held by the Minister for those purposes.

55 Acquisition of land by Minister for purposes of smallholdings

The power of the Minister to acquire land under section 82 of the Agriculture Act 1947 shall include power to acquire by agreement any land which in his opinion is required by him for the purposes of smallholdings.

56 Default powers of Minister

- (1) If the Minister is satisfied that the functions of a smallholdings authority under this Part of this Act are not being satisfactorily performed by the authority, the Minister, subject to the following provisions of this section, may—
 - (a) direct the authority to perform those functions in such manner as may be specified in the direction, or
 - (b) by order transfer such of the functions of the authority under this Part of this Act (including the expenditure of money whether on revenue or capital account) as may be specified in the order.
- (2) Any functions transferred by an order in accordance with subsection (1)(b) of this section shall be so transferred to the Minister.
- (3) Before the Minister—
 - (a) makes an order under subsection (1)(b) of this section,
 or
 - (b) comes to a decision on an application made by the smallholdings authority for the revocation of such an order relating to the authority, where the application is made not earlier than twelve months after the making of the order and (if one or more previous applications for the revocation of the order have been made) not earlier than twelve months after the last such application was made,
 he shall give to the smallholdings authority an opportunity of making representations to him, and shall take into consideration any representations made by the authority, and, if the authority so require, shall afford to them an opportunity of being heard by a person appointed by the Minister for the purpose.
- (4) The performance by the Minister of any functions transferred to him by an order in accordance with subsection (1)(b) of this section shall have effect as if he were an agent of the smallholdings authority duly authorised to perform them ; but—
 - (a) any expenses incurred by the Minister in the performance of those functions shall be defrayed in the first instance by the Minister, and
 - (b) the Minister shall certify, in respect of such successive periods as he may determine, the amount of the expenses so incurred in each such period and the amount of any receipts of the Minister in each such period from the performance of those functions, and the difference between those amounts, as certified by the Minister, shall be recoverable by him from the smallholdings authority or payable by him to the authority, as the case may require.
- (5) Where any functions of a smallholdings authority have been transferred by an order in accordance with subsection (1)(b) of this section, and any property has been acquired or any liabilities have been incurred in the performance of those functions while so transferred, any order varying or revoking that order may contain such provisions with respect to the transfer, vesting or discharge of any such property or liabilities as appear to the Minister to be expedient in the circumstances.

- (6) The power conferred on the Minister by subsection (1)(a) of this section shall have effect without prejudice to the exercise of any other power of the Minister to give directions under this Part of this Act.
- (7) Section 104 of the Agriculture Act 1947 (provisions as to representations), any regulations for the time being in force under that section, and section 107 of that Act (service of notices) in its application to notices under that section, shall (with the necessary modifications) have effect in relation to subsection (3) of this section as they have effect in relation to enactments contained in that Act.

General and supplementary provisions

57 County borough councils

- (1) On the application of any county borough council who are not for the time being a smallholdings authority, the Minister may direct that the council shall be a smallholdings authority.
- (2) Where a county borough council are a smallholdings authority, whether by virtue of a direction under subsection (1) of this section or otherwise, then, if at any time no land is held by that council for the purposes of smallholdings, the Minister may direct that the council shall cease to be a smallholdings authority.

58 Accounts and records of smallholdings authorities

- (1) A smallholdings authority shall keep a separate account of their receipts and expenses (including capital receipts and expenses) with respect to smallholdings.
- (2) Every smallholdings authority shall compile and keep, and, if so required at any time by a person authorised by the Minister in that behalf, shall produce to him—
 - (a) a record of all land which is or has at any time been held by the authority for the purposes of smallholdings, of the persons in occupation of such of that land as is for the time being let by the authority as smallholdings and of the rents at which it is let to them, and of the purchasers of so much of that land as has been sold by the authority, and
 - (b) a map or plan showing the size, boundaries and situation of each smallholding provided by the authority.

59 Annual reports

- (1) Every smallholdings authority shall, before such date in each year as the Minister may direct, send to the Minister a report, relating to such matters as the Minister may direct, of the proceedings of the authority during the preceding financial year.
- (2) The Ministers shall lay before Parliament a report in respect of each financial year, summarising for that year the proceedings of smallholdings authorities and the proceedings of the Minister, and of the Ministers acting jointly, in relation to smallholdings.

60 Cottage holdings

- (1) No land shall after the commencement of this Part of this Act—

Status: This is the original version (as it was originally enacted).

- (a) be sold by a county council, a county borough council or the Greater London Council as a cottage holding, or
 - (b) be let by such a council as a cottage holding by a letting effected after the commencement of this Part of this Act, whether the land was previously so let or not, or
 - (c) be acquired (whether by way of purchase or lease) by such a council for the purpose of being sold or let as a cottage holding.
- (2) The provisions of section 52(2) of this Act shall have effect in relation to land which immediately before the commencement of this Part of this Act is held by any such council for the purposes of cottage holdings as they have effect in relation to land then held by a smallholdings authority for the purposes of smallholdings, as if in those provisions—
- (a) any reference to a smallholdings authority were a reference to such a council, and
 - (b) the reference to section 2 of the Small Holdings and Allotments Act 1926 included a reference to that section as applied to cottage holdings by section 12 of that Act or by section 12 of the Agricultural Land (Utilisation) Act 1931.
- (3) Any regulations made by the Ministers in the exercise of the powers conferred by section 52(2) of this Act as applied by subsection (2) of this section may revoke any regulations for the time being in force under section 2 of the Small Holdings and Allotments Act 1926 in their application to cottage holdings.
- (4) Where any regulations exercise the power of revocation conferred by subsection (3) of this section, the regulations may contain such transitional provisions with respect to matters in progress under the regulations so revoked as the Ministers may consider appropriate having regard to the provisions of sections 52(2) and 62 of this Act.

61 Special classes of land

- (1) Land forming part of the possessions of the Duchy of Lancaster or of the Duchy of Cornwall may be leased to a smallholdings authority or to the Minister for the purposes of smallholdings for a term not exceeding 35 years, with or without a right of renewal for a further term not exceeding 35 years.
- (2) The powers of leasing conferred by subsection (1) of this section shall be exercisable—
- (a) in the case of land forming part of the possessions of the Duchy of Lancaster, by the Chancellor and Council of the Duchy by deed under the seal of the Duchy in the name of Her Majesty, Her heirs and successors, and
 - (b) in the case of land forming part of the possessions of the Duchy of Cornwall, by the Duke of Cornwall or such other persons as for the time being have power to dispose of land belonging to the Duchy.
- (3) In the case of glebe land—
- (a) the like powers of leasing may be exercised by the incumbent of the ecclesiastical benefice to which the land belongs, but shall not be so exercised except with the consent of the Church Commissioners;
 - (b) the consent of any person, other than the Church Commissioners, shall not be required to enable the land to be sold to a smallholdings authority or to the Minister for the purposes of smallholdings.

- (4) Where any glebe land has, whether before or after the commencement of this Part of this Act, been leased to a smallholdings authority or to the Minister for the purposes of smallholdings—
- (a) the provisions of the Ecclesiastical Dilapidations Measures 1923 to 1951, or of any other enactment or Measure relating to dilapidations of ecclesiastical property which is for the time being in force, shall not have effect in relation to buildings on that land during the tenancy of the smallholdings authority or of the Minister, and
 - (b) at any time within twelve months from the date on which possession of the land is delivered up by the smallholdings authority or the Minister at the end of the tenancy the incumbent of the ecclesiastical benefice to which the land belongs may apply to the Church Commissioners for their consent to the removal of any buildings which have been erected on the land for the purpose of adapting it to the purposes of smallholdings.
- (5) Where an application is made to the Church Commissioners under subsection (4)(b) of this section, and it is proved to the satisfaction of the Commissioners that any buildings to which the application relates are useless, and that it is to the interest of the benefice that they should be removed, the incumbent may, with the consent of the Commissioners, and subject to such directions as they may give, pull down those buildings and dispose of the materials from them, and any proceeds shall be paid to the Commissioners to be applied by them to the improvement of the benefice in such manner as the Commissioners may direct.
- (6) Where, in any case not falling within any of the preceding subsections, a person, by virtue of the Settled Land Act 1925, the Universities and College Estates Act 1925 or any other enactment, has power, whether subject to any consent or conditions or not, to lease any land for agricultural purposes for a term not exceeding that specified in the enactment, he shall (without prejudice to that power) have power by virtue of this subsection, subject to the like consent and conditions (if any), to lease the land to a smallholdings authority or to the Minister for the purposes of smallholdings for a term not exceeding 35 years, with or without a right of renewal for a further term not exceeding 35 years.

62 Provisions as to Wales (including Monmouthshire)

- (1) Where by or under any provision to which this section applies (including any enactment as applied by such a provision) anything is authorised or required to be done—
- (a) by the Minister in relation to the council of a county or county borough in Wales, or
 - (b) by such a council in relation to the Minister,
- whether (in either case) the council fall within that provision in their capacity as a smallholdings authority or otherwise, any reference in that provision to the Minister shall, for the purposes of the application of that provision in relation to that council, be construed as a reference to the Ministers.
- (2) This section applies to the following provisions, that is to say—
- (a) all the provisions of this Part of this Act except sections 37, 52(1), 54, 55, 56(2) and (4), 59(2) and 61 and Schedule 3 ;
 - (b) section 2(7) and the proviso to section 6(1) of the Small Holdings and Allotments Act 1926, as those provisions have effect (in relation to certain

Status: This is the original version (as it was originally enacted).

matters in existence before 1st October 1949) by virtue of paragraph (a) of the proviso to section 67(2) of the Agriculture Act 1947; and

- (c) the provisions of the Small Holdings and Allotments Acts 1908 to 1926, as applied to cottage holdings by section 12 of the Agricultural Land (Utilisation) Act 1931, with the exception of section 2(2) of the Small Holdings and Allotments Act 1926 as so applied.

- (3) In this section any reference to Wales includes Monmouthshire.

63 Provisions as to regulations

- (1) The Ministers shall have power to make regulations for any purpose for which regulations are authorised or required to be made under this Part of this Act; and any such regulations may make different provision for different circumstances.
- (2) Any power to make regulations under this Part of this Act shall be exercisable by statutory instrument; and any statutory instrument containing any such regulations shall be subject to annulment in pursuance of a resolution of either House of Parliament.

64 Transitional provisions and amendments

- (1) The transitional provisions contained in Schedule 3 to this Act shall have effect.
- (2) Subject to those provisions, the enactments specified in Schedule 4 to this Act shall have effect subject to the amendments set out in that Schedule, being minor amendments and amendments consequential upon the preceding provisions of this Part of this Act.

65 Commencement and extent of Part III

- (1) This Part of this Act shall come into operation on such day as the Ministers may by order made by statutory instrument appoint, and different days may be so appointed for different provisions of this Part of this Act or for different purposes; and any reference in any provision of this Part of this Act to the commencement of this Part of this Act shall be construed as a reference to the day so appointed for the coming into operation of that provision; and for the purposes of this subsection Part III of Schedule 5 to this Act shall be deemed to be included in this Part of this Act.
- (2) This Part of this Act extends to England and Wales only.