



Small Holdings and Allotments Act 1926

1926 CHAPTER 52 16 and 17 Geo 5

PART I

SMALL HOLDINGS

Provision of Small Holdings

1 Duties and powers of providing small holdings.

Where a county council are satisfied that there is a demand for small holdings in their county by persons who desire to buy or lease and will themselves cultivate the holdings and are able to cultivate them properly, it shall be the duty of the county council to provide small holdings if they are of opinion that they can do so without incurring loss, and, subject to the provisions of this Part of this Act, it shall be lawful for them to do so notwithstanding that it appears to them that a loss may thereby be incurred.

2 Power of Minister to contribute towards losses.

- (1) Where it appears to a county council that the provision of any small holdings will entail a loss the council shall submit their proposals to the Minister of Agriculture and Fisheries (hereinafter referred to as the Minister), together with estimates in the prescribed form of the expenses (whether on capital or income account) in relation thereto likely to be incurred by the council and of the sums likely to be received by the council either by way of rent or purchase money or otherwise.
- (2) If the Minister approves the proposals and estimates of the council, either without modifications or with such modifications as he may require, the Minister may, subject to such conditions as to records, certificates, audit or otherwise as, with the approval of the Treasury, he may determine, make, or undertake to make, contributions out of [^{F1}Small Holdings and Allotments Account] towards the losses likely to be incurred in carrying out the proposals to such an amount as may be specified in the approval; so, however, that the contribution in respect of any year shall not exceed seventy-five per cent. of the amount of loss shown in the approved estimates as likely to be incurred in that year:

Status: Point in time view as at 01/02/1991.

Changes to legislation: There are currently no known outstanding effects for the Small Holdings and Allotments Act 1926, Part I. (See end of Document for details)

Provided that the Minister in considering the estimates submitted to him shall satisfy himself that the estimates are made on the basis of the full fair rent being charged for each holding, and, in the case of any part of the land not being required for the provision of small holdings, of the best price that could reasonably be obtained therefor, if sold, being attributed thereto.

- (3) Where the proposals, after having been approved by the Minister, are subsequently varied, then—
 - (a) if the variation is made by the county council without his consent, the Minister may, if he thinks fit, reduce the amount of his contribution;
 - (b) if the variation is made with his consent, the Minister may, subject to the limitation hereinbefore mentioned, vary his contribution either by way of increase or decrease, according to the nature of the variation.

(4) F2

(5) Where land has been acquired for the purposes of small holdings before the commencement of this Act, or where land is, after the commencement of this Act, acquired under this Part of this Act without the consent of the Minister, this section shall apply with respect to such expenses only as are likely to be incurred in equipping the land and adapting it for small holdings.

(6) For the purposes of this Part of this Act, the expression “full fair rent” in relation to a small holding means the rent which a tenant might reasonably be expected to pay for the holding if let as such and the landlord undertook to bear the cost of structural repairs.

[^{F3}(7) Land in respect of which a contribution has been made or undertaken to be made by the Minister under this section shall not be sold, mortgaged, exchanged, let, or appropriated, for any purpose other than the provision of small holdings except with the consent of the Minister, who may give such consent either unconditionally or subject to such conditions as he thinks fit.]

[^{F3}(8) Where the Minister is satisfied that a council has reasonably incurred expenses in connection with the preparation of proposals or estimates with a view to the submission thereof to the Minister under this section he may, if he thinks fit, notwithstanding that the proposals or estimates are not submitted to him or if submitted are not approved by him, make contributions towards the expenses so incurred, in the like manner and to the like extent as if the expenses had been a loss shown in approved estimates.]

Textual Amendments	
F1	Words substituted by Agricultural Land (Utilisation) Act 1931 (c. 41) , Sch. 2
F2	S. 2(4) repealed by Agriculture Act 1970 (c. 40) , s. 65(1), Sch. 5 Pt. III
F3	S. 2(7)(8) added by Agricultural Land (Utilisation) Act 1931 (c. 41) , Sch. 2
Modifications etc. (not altering text)	
C1	Small Holdings and Allotments Account wound up by Agriculture Act 1947 (c. 48) , s. 59

3 Power to sell or let to co-operative societies, &c.

A county council shall have power—

Status: Point in time view as at 01/02/1991.

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- (a) to sell or let one or more small holdings to a number of persons working on a co-operative system, provided such system is approved by the county council; and
- (b) with the consent of the Minister, to sell or let one or more small holdings to any association formed for the purposes of creating or promoting the creation of small holdings, and so constituted that the division of profits amongst the members of the association is prohibited or restricted.

4 Power to acquire land for small holdings.

For the purpose of providing small holdings for persons who desire to buy or lease and will themselves cultivate the holdings and are able to cultivate them properly, [^{F4}a [^{F5}district]council may purchase land (whether situate within or without the [^{F5}district]) by agreement or, if so authorised by the Minister, compulsorily, or may take such land on lease by agreement or, if the council are unable to obtain by agreement suitable land for the purpose], compulsorily in accordance with the provisions of the ^{M1}Small Holdings and Allotment Act, 1908 (hereinafter referred to as the principal Act) relating to the compulsory [^{F4}hiring] of land:

Providing that the [^{F5}district]council shall not acquire land for such purpose as aforesaid without the consent of the Minister unless the council are satisfied that the transaction will not involve any loss to the council, and where land is so acquired without the consent of the Minister, it shall not be lawful for the Minister to make or undertake to make any contribution under the foregoing provisions of this Act towards the cost or the [^{F4}hiring] of the land;

Provided also that the [^{F5}district]council before acquiring any land outside the county shall consult with the council of the county in which the land is situated.

Textual Amendments

F4 Words substituted by [Acquisition of Land \(Authorisation Procedure\) Act 1946 \(c. 49\)](#), **Sch. 4**

F5 Word substituted by [Local Government Act 1972 \(c. 70, SIF 81:1\)](#), ss. 251(2), 273(1), **Sch. 29 para. 11**

Marginal Citations

M1 [1908 c. 36](#)

5 Regulations as to purchase money and sale.

- (1) Where a county council sell a small holding, the consideration (except where otherwise specifically provided in this Act) shall be a terminable annuity of an amount equal to the full fair rent of the holding for a period of sixty years, or, at the option of the purchaser, a terminable annuity for a period of less than sixty years of an equivalent capital value.
- (2) The terminable annuity shall be payable by equal half-yearly instalments, the first instalment being payable on completion, and shall, so far as not paid on completion, be secured by a charge on the holding in favour of the council.
- (3) The council may, if they think fit, postpone for a term not exceeding five years, the payment of all or any part of the terminable annuity, except so much as is payable on completion, in consideration of capital expenditure by the purchaser which in the

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opinion of the council increases the value of the holding, but shall do so on such terms as will in their opinion prevent them from incurring any loss or increased loss.

- (4) A small holding may be sold subject to such rights of way or other rights as the council may consider necessary or expedient.
- (5) Any question under this section as to what is the full fair rent of a small holding, or the amount of a terminable annuity, shall be determined by the county council.

6 Conditions affecting small holdings.

- (1) A small holding sold by a county council under this Act, shall for a term of forty years from the date of the sale, and thereafter so long as the holding remains charged with the terminable annuity, be held subject to the following conditions:—
 - (a) Any periodical payments due in respect of the terminable annuity shall be duly made:
 - (b) The holding shall not be divided, sold, assigned, let or sublet without the consent of the county council:
 - (c) The holding shall be cultivated by the owner or occupier as the case may be, in accordance with the rules of good husbandry as defined in the ^{M2}Agricultural Holdings Act, 1923, and shall not be used for any purpose other than agriculture:
 - (d) Not more than one dwelling-house shall be erected on the holding unless, in the opinion of the council, additional accommodation is required for the proper cultivation of the holding:
 - (e) Any dwelling-house erected on the holding shall comply with such requirements as the county council may impose for securing healthiness and freedom from overcrowding:
 - (f) Any dwelling-house or other building erected on the holding shall be kept in repair and insured against fire by the owner to the satisfaction of the county council, and the receipts for premiums produced when required by them:
 - (g) No dwelling-house or building on the holding shall be used for the sale of intoxicating liquors:
 - (h) In the case of any holding on which, in the opinion of the county council, a dwelling-house ought not to be erected, no dwelling-house shall be erected on the holding without the consent of the county council:

Provided that a county council may, if they think fit, subject, in the case of a holding in respect of which a contribution is payable by the Minister, to the consent of the Minister, as respects the whole or any part of the holding, either at the time of the sale or subsequently, and either without consideration or for such consideration as they think fit, relax or dispense with any of the above conditions.

The Minister may, in giving his consent to any such relaxation or dispensation, impose such terms as he thinks fit, including a requirement as to the consideration to be charged, and the application thereof in whole or in part in satisfaction of any contributions payable by him under this Part of this Act.

- (2) If any such condition is broken, the council may, after giving the owner an opportunity of remedying the breach (if it is capable of remedy), either take possession of the holding or order the sale of the holding without taking possession.

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- (3) If, on the decease of the owner while the holding is subject to the conditions imposed by this section, the holding would, by reason of any devise, bequest, intestacy, or otherwise, become subdivided, the council may require the holding to be sold within twelve months after such decease to some one person, and if default is made in so selling the holding, the council may either take possession of the holding or order the sale of the holding without taking possession.
- (4) A small holding let by a county council shall be held subject to the conditions on which it would under this section be held if it were sold, except so far as those conditions relate to the terminable annuity and to repairs and insurance against fire; and, if any such condition or any term of the letting is broken, the council may, after giving the tenant an opportunity of remedying the breach (if it is capable of remedy), determine the tenancy.

Marginal Citations

M2 1923 c. 9.

7 Recovery of possession and disposal of small holdings.

- (1) Where a county council take possession of a small holding under the last foregoing section, all the estate, right, interest, and claim of the owner in or to the small holding shall, subject as in this section mentioned, vest in and become the property of the county council, and the county council may either retain the small holding under their own management or sell or otherwise dispose of it as they think expedient.
- (2) Where a county council take possession of a small holding as aforesaid they shall, save as hereinafter mentioned, pay to the owner either—
 - (a) such sum as may be agreed upon; or
 - (b) a sum equal to the value of the interest in the small holding at the disposal of the county council, after deducting therefrom the amount at which the annuity charged on the holding may be redeemed under the ^{M3}Law of Property Act, 1925, together with any arrears of such annuity then due; and the said value, in the absence of a sale and in default of agreement, shall be settled by an arbitrator appointed under the ^{M4}Agricultural Holdings Act, 1923.
- (3) The sum so paid to the owner if not paid within three months after the date of taking possession shall carry interest at the rate of five per centum per annum from the date of taking possession.
- (4) All costs of or incidental to the taking possession, sale or other disposal of the small holding (including the costs of the arbitration, if any) incurred by the county council before the amount payable to the owner has been settled either by agreement or arbitration, shall be deducted from the amount otherwise payable to the owner.
- (5) Where the county council are entitled under this Act to take possession of a small holding, possession may be recovered (whatever may be the value of the holding) by or on behalf of the county council . . . ^{F6} under sections one hundred and thirty-eight to one hundred and forty-five of the ^{M5}County Courts Act, 1888, . . . ^{F6} as in the cases therein provided for, and . . . ^{F6} may be recovered as if the county council were the landlord and the owner of the holding were the tenant.

Status: Point in time view as at 01/02/1991.

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- (6) In the event of the value of the holding, ascertained in accordance with the provisions of this section, being less than the amount at which the annuity charged on the holding may be redeemed together with any arrears of such annuity due from the owner, the council may recover from the owner summarily as a civil debt the amount of the deficiency.

Textual Amendments

F6 Words repealed by [Rent Act 1965 \(c. 75\)](#), s. 52(1), **Sch. 7 Pt. II**

Marginal Citations

M3 1925 c. 20.

M4 1923 c. 9.

M5 1888 c. 43.

8 Procedure as to ordering sale of small holdings.

- (1) Where a county council order the sale of a small holding without taking possession, they shall cause it to be put up for sale by auction, and out of the proceeds of sale retain a sum equal to the amount for which the terminable annuity (if any) charged on the holding may be redeemed, unless the holding is sold subject to the terminable annuity, together with any arrears of the annuity which may be then due and all costs, charges and expenses properly incurred by them in or about the sale of the holding, and pay over the balance (if any) to the owner.
- (2) If the county council are unable to sell the holding for such sums as will allow the payment out of the proceeds of sale of such amounts as aforesaid, they may take possession of the holding in manner provided by the last foregoing section, but shall not be liable to pay any sum to the owner, and may recover from the owner summarily as a civil debt the amount of the deficiency.
- (3) Any sale by a county council under this section may be made either subject to the charge in respect of terminable annuity of free, wholly or partly, from that charge, and in either case the provisions of this Act with respect to the purchase money shall, where the land is sold as a small holding, apply in like manner as if the sale were the first sale of the holding.

9 Delegation of powers to councils of boroughs or urban or rural districts.

A county council may make arrangements with the council of any . . . ^{F7}district in the county for the exercise by the council of that . . . ^{F7}district, as agents for the county council, on such terms and subject to such conditions as may be agreed on, of any powers of the county council in respect of the acquisition, adaptation and management of small holdings for the . . . ^{F7}district, and the council of the . . . ^{F7}district may, as part of the arrangement, undertake to pay the whole or any part of the loss (if any) incurred by the county council in connection with those small holdings, and any sum payable in pursuance of any such undertaking shall be defrayed as part of the general expenses of the council in the execution of the Public Health Acts:

Provided that arrangements shall not authorise the exercise on behalf of the county council by any other council of the powers of submitting to the Minister proposals and estimates for the purpose of obtaining contributions under this Act.

Status: Point in time view as at 01/02/1991.

Changes to legislation: There are currently no known outstanding effects for the Small Holdings and Allotments Act 1926, Part I. (See end of Document for details)

Textual Amendments

F7 Words repealed by [Local Government Act 1972 \(c. 70, SIF 81:2\)](#), ss. 272(1), 273(1), **Sch. 30**

10 List to be kept by county council.

A county council shall keep a list of the owners and occupiers of small holdings sold or let by them, and a map or plan showing the size, boundaries and situation of each small holding so sold or let.

11 **F8**

Textual Amendments

F8 [S. 11](#) repealed by [Land Registration Act 1966 \(c. 39\)](#), **Sch.**

12 **F9**

Textual Amendments

F9 [S. 12](#) repealed by [Agricultural Land \(Utilisation\) Act 1931 \(c. 41\)](#), **s. 12**

Loans by County Councils to Persons purchasing Small Holdings

13 Power of county council to advance money for purchase of small holdings.

- (1) Where a person being desirous of purchasing a small holding which he is able to cultivate properly has agreed with the owner for the purchase thereof, the county council of the county in which the holding or any part of it is situate may, if they think fit, advance to the purchaser on the security of the holding an amount not exceeding nine-tenths of the value of the holding as ascertained to the satisfaction of the county council repayable [^{F10}with interest at such rate as may be agreed between the council and the purchaser] by a terminable annuity for a period not exceeding sixty years.
- (2) The provisions of this Act with respect to the terminable annuity secured by a charge on a small holding sold by a county council, and with respect to any small holding so sold, shall apply to a terminable annuity charged and a holding purchased under this section, as if the advance was the purchase money.
- (3) No advance shall be made by a county council under this section unless they are satisfied that the title to the holding is good, that the sale is made in good faith, and that the price is reasonable.
- (4) Where the person desirous of effecting the purchase is a person for whom a cottage holding could be provided by the county council, this section shall apply as if references therein to small holdings included references to cottage holdings.

Status: Point in time view as at 01/02/1991.

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Textual Amendments

F10 Words substituted by [Agricultural Land \(Utilisation \) Act 1931 \(c. 41\)](#), **Sch. 2**

14 Power of councils to make advances for equipment of small holdings.

- (1) A county council may—
- (a) subject to the provisions hereinafter contained, advance money to owners of small holdings provided by ^{F11} or purchased with the assistance of] the council under the principal Act as amended by this Act for the purpose of constructing, altering or adapting or undertaking to construct, alter or adapt houses and farm buildings on such small holdings; and
 - (b) undertake to guarantee the repayment to a society incorporated under the Building Societies Acts, 1874 to 1894, or the Industrial and Provident Societies Acts, 1893 to 1913, of any advances made by the society to any of its members, being the owners of small holdings provided b ^{F11} or purchased with the assistance of] the council as aforesaid, for the purpose of enabling them to construct, alter or adapt houses or farm buildings on such small holdings and the interest on such advances.
- (2) The county council before granting such assistance shall satisfy themselves that the houses or farm buildings in respect of which assistance is to be given will, when the construction, alteration or adaptation is completed, in the case of houses, be in all respects fit for human habitation, and in the case of houses and farm buildings be in all respects suitable and necessary for the requirements of the small holdings.
- (3) Any such advance as aforesaid shall be subject to the following conditions:—
- (a) The advance with interest thereon shall be secured by mortgage, and the advance shall not exceed ninety per cent. of the value of the interest of the mortgagor in the property, and the mortgage deed may provide for repayment being made either by instalments of principal or by an annuity of principal and interest combined, so, however, that in the event of any of the conditions subject to which the advance is made not being complied with the balance for the time being unpaid shall become repayable on demand by the council;
 - (b) The advance may be made by instalments from time to time as the construction, alteration or adaptation of the house or farm building progresses, so, however, that the total of the advance does not at any time before the completion of the construction, alteration or adaptation exceed fifty per cent. of the value of the work done up to that time on the construction, alteration or adaptation of the house or farm building, or on works incidental thereto; and
 - (c) The advance shall not be made except after valuation duly made on behalf of the council.
- (4) The making of advances and the fulfilling of guarantees under this section (except a guarantee of interest) shall be purposes for which a council may borrow . . . ^{F12}

Textual Amendments

F11 Words substituted by [Agricultural Land \(Utilisation \) Act 1931 \(c. 41\)](#), **Sch. 2**

F12 Words repealed by [Local Government Act 1933 \(c. 51\)](#), s. 307, **Sch. 11 Pt. IV** and S.I. 1970/211

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Changes to legislation: There are currently no known outstanding effects for the Small Holdings and Allotments Act 1926, Part I. (See end of Document for details)

Construction

15 Construction of Part I.

This Part of this Act shall have effect as if it were substituted for Part I of the principal Act:

Provided that nothing in this Act shall affect the terms and conditions on which a small holding purchased or leased before the commencement of this Act is held.

Status:

Point in time view as at 01/02/1991.

Changes to legislation:

There are currently no known outstanding effects for the Small Holdings and Allotments Act 1926, Part I.