

AGRICULTURE (WALES) ACT 2023

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 2 – Support for Agriculture Etc

Chapter 4 - Agricultural tenancies

Section 24 - Agricultural Holdings: dispute resolution relating to financial support

155. The Agricultural Holdings Act 1986 (at section 19A) confers power on the Welsh Ministers to make regulations that provide for the tenant of an agricultural holding to be able to refer a dispute with the tenant’s landlord to arbitration, where the dispute revolves around a certain type of request made by the tenant, which has been refused by the landlord. The section describes the types of request concerned: this includes a request made for the purpose of enabling the tenant to apply for “relevant financial assistance”
156. [Section 24](#) amends the definition of “relevant financial assistance” in section 19A of the Agricultural Holdings Act 1986 to encompass financial assistance under section 8, financial assistance under a third party scheme as defined in section 9 (6), financial assistance under the Basic Payment Scheme (BPS), financial assistance under legislation relating to the common agricultural policy, financial assistance under legislation relating to support for apiculture, financial assistance under legislation relating to support for rural development, and financial assistance under section 22. It also makes some consequential amendments.
157. [Section 24](#) also inserts new sections 8A and 36A into the Agricultural Tenancies Act 1995. Section 8A provides for the tenant of a farm business tenancy to refer a dispute to arbitration where the landlord has refused a request for the variation of the tenancy, or a request for consent, that was made for specified purposes. These purposes are: the purpose of requesting or applying for specified types of support (including support provided under section 8); and the purpose of complying with a statutory duty. Section 8A also provides the Welsh Ministers with a regulation-making power to make provision in connection with such arbitration. Section 24 also makes a consequential amendment to section 28(5) of the 1995 Act, and inserts a new section 36A setting out the procedure applicable to regulations under the new section 8A.
158. These amendments are intended to address the possibility that a landlord’s consent, or a variation of the tenancy itself, could be required for the tenant of an agricultural holding in order to access financial assistance under the legislation referred to under section 19A of the 1986 Act, as amended by section 24; or for the tenant under a farm business tenancy to access support under legislation referred to in the new section 8A of the 1995 Act, or for the purposes of complying with a statutory duty.
159. The provisions will come into force on a day appointed by the Welsh Ministers in an order made by Statutory Instrument.