



Agricultural Tenancies Act 1995

1995 CHAPTER 8

PART II

RENT REVIEW UNDER FARM BUSINESS TENANCY

9 Application of Part II.

This Part of this Act applies in relation to a farm business tenancy (notwithstanding any agreement to the contrary) unless the tenancy is created by an instrument which—

- (a) expressly states that the rent is not to be reviewed during the tenancy, ^{F1}...
- (b) provides that the rent is to be varied, at a specified time or times during the tenancy—
 - (i) by or to a specified amount, or
 - (ii) in accordance with a specified formula which does not preclude a reduction and which does not require or permit the exercise by any person of any judgment or discretion in relation to the determination of the rent of the holding,but otherwise is to remain fixed^{F2}, or
- (c) does not contain any provision which precludes a reduction in the rent during the tenancy, and—
 - (i) expressly states that this Part of this Act does not apply, or
 - (ii) makes provision for the reference of rent reviews to an independent expert whose decision is final.]

Textual Amendments

- F1** Word in s. 9(a) repealed (19.10.2006) by [Regulatory Reform \(Agricultural Tenancies\) \(England and Wales\) Order 2006 \(S.I. 2006/2805\)](#), arts. 1(1)(b), 14(1)(a), [Sch. 2](#) (with arts. 10, 14(3))
- F2** S. 9(c) and word inserted (19.10.2006) by [Regulatory Reform \(Agricultural Tenancies\) \(England and Wales\) Order 2006 \(S.I. 2006/2805\)](#), arts. 1(1)(b), [14\(1\)\(b\)](#) (with arts. 10, 14(3))

Status: Point in time view as at 19/10/2006.

Changes to legislation: Agricultural Tenancies Act 1995, Part II is up to date with all changes known to be in force on or before 03 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

10 Notice requiring statutory rent review.

- (1) The landlord or tenant under a farm business tenancy in relation to which this Part of this Act applies may by notice in writing given to the other (in this Part of this Act referred to as a “statutory review notice”) require that the rent to be payable in respect of the holding as from the review date shall be referred to arbitration in accordance with this Act.
- (2) In this Part of this Act “the review date”, in relation to a statutory review notice, means a date which—
 - (a) is specified in the notice, and
 - (b) complies with subsections (3) to (6) below.
- (3) The review date must be at least twelve months but less than twenty-four months after the day on which the statutory review notice is given.
- (4) If the parties have agreed in writing that the rent is to be, or may be, varied as from a specified date or dates, or at specified intervals, the review date must be a date as from which the rent could be varied under the agreement.
- (5) If the parties have agreed in writing that the review date for the purposes of this Part of this Act is to be a specified date or dates, the review date must be that date or one of those dates.
- (6) If the parties have not agreed as mentioned in subsection (4) or (5) above, the review date—
 - (a) must be an anniversary of the beginning of the tenancy or, where the landlord and the tenant have agreed in writing that the review date for the purposes of this Act is to be some other day of the year, that day of the year, and
 - (b) must not fall before the end of the period of three years beginning with the latest of any of the following dates—
 - (i) the beginning of the tenancy,
 - (ii) any date as from which there took effect a previous direction of an arbitrator as to the amount of the rent,
 - (iii) any date as from which there took effect a previous determination as to the amount of the rent made, otherwise than as arbitrator, by a person appointed under an agreement between the landlord and the tenant, and
 - (iv) any date as from which there took effect a previous agreement in writing between the landlord and the tenant, entered into since the grant of the tenancy, as to the amount of the rent.

11 Review date where new tenancy of severed part of reversion.

- (1) This section applies in any case where a farm business tenancy (“the new tenancy”) arises between—
 - (a) a person who immediately before the date of the beginning of the tenancy was entitled to a severed part of the reversionary estate in the land comprised in a farm business tenancy (“the original tenancy”) in which the land to which the new tenancy relates was then comprised, and
 - (b) the person who immediately before that date was the tenant under the original tenancy,

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and the rent payable under the new tenancy at its beginning represents merely the appropriate portion of the rent payable under the original tenancy immediately before the beginning of the new tenancy.

- (2) In any case where this section applies—
- (a) references to the beginning of the tenancy in subsection (6) of section 10 of this Act shall be taken to be references to the beginning of the original tenancy, and
 - (b) references to rent in that subsection shall be taken to be references to the rent payable under the original tenancy,

until the first occasion following the beginning of the new tenancy on which any such direction, determination or agreement with respect to the rent of the new holding as is mentioned in that subsection takes effect.

12 Appointment of arbitrator.

Where a statutory review notice has been given in relation to a farm business tenancy, but—

- (a) no arbitrator has been appointed under an agreement made since the notice was given, and
- (b) no person has been appointed under such an agreement to determine the question of the rent (otherwise than as arbitrator) on a basis agreed by the parties,

either party may, at any time during the period of six months ending with the review date, apply to the President of the Royal Institution of Chartered Surveyors (in this Act referred to as “the RICS”) for the appointment of an arbitrator by him.

13 Amount of rent.

- (1) On any reference made in pursuance of a statutory review notice, the arbitrator shall determine the rent properly payable in respect of the holding at the review date and accordingly shall, with effect from that date, increase or reduce the rent previously payable or direct that it shall continue unchanged.
- (2) For the purposes of subsection (1) above, the rent properly payable in respect of a holding is the rent at which the holding might reasonably be expected to be let on the open market by a willing landlord to a willing tenant, taking into account (subject to subsections (3) and (4) below) all relevant factors, including (in every case) the terms of the tenancy (including those which are relevant for the purposes of section 10(4) to (6) of this Act, but not those [^{F3}which (apart from this section) preclude a reduction in the rent during the tenancy]).
- (3) The arbitrator shall disregard any increase in the rental value of the holding which is due to tenant’s improvements other than—
 - (a) any tenant’s improvement provided under an obligation which was imposed on the tenant by the terms of his tenancy or any previous tenancy and which arose on or before the beginning of the tenancy in question,
 - (b) any tenant’s improvement to the extent that any allowance or benefit has been made or given by the landlord in consideration of its provision, and
 - (c) any tenant’s improvement to the extent that the tenant has received any compensation from the landlord in respect of it.

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- (4) The arbitrator—
- (a) shall disregard any effect on the rent of the fact that the tenant who is a party to the arbitration is in occupation of the holding, and
 - (b) shall not fix the rent at a lower amount by reason of any dilapidation or deterioration of, or damage to, buildings or land caused or permitted by the tenant.
- (5) In this section “tenant’s improvement”, and references to the provision of such an improvement, have the meaning given by section 15 of this Act.

Textual Amendments

F3 Words in s. 13(2) substituted (19.10.2006) by [Regulatory Reform \(Agricultural Tenancies\) \(England and Wales\) Order 2006 \(S.I. 2006/2805\)](#), arts. 1(1)(b), **15** (with art. 10)

Modifications etc. (not altering text)

- C1** S. 13 modified (1.9.1995) by [1995 c. 8, ss. 40, 41\(2\)](#), **Sch. para. 20(5)** (with s. 37) (which Act inserted Sch. 7 para. 3A into [1958 c. 69](#)).
- C2** S. 13(1)(2) modified (1.9.1995) by [1995 c. 8, ss. 40, 41\(2\)](#), **Sch. para. 14** (with s. 37) (which Act inserted s. 14B into [1958 c. 69](#)).

14 Interpretation of Part II.

In this Part of this Act, unless the context otherwise requires—

“the review date”, in relation to a statutory review notice, has the meaning given by section 10(2) of this Act;

“statutory review notice” has the meaning given by section 10(1) of this Act.

Status:

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