

STATUTORY INSTRUMENT CONSENT MEMORANDUM

THE PUBLIC BODIES (ABOLITION OF THE ADVISORY COMMITTEE ON VALUATION OF IMPROVEMENTS AND TENANT-RIGHT MATTERS) ORDER 2014

1. This Statutory Instrument Consent Memorandum is laid under Standing Order (“SO”) 30A.2. SO 30A prescribes that a Statutory Instrument Consent Memorandum must be laid and a Statutory Instrument Consent Motion may be tabled before the National Assembly for Wales (“the Assembly”) if a UK Statutory Instrument makes provision, in relation to Wales, amending primary legislation within the legislative competence of the Assembly.
2. The Public Bodies (Abolition of the Advisory Committee on Valuation of Improvements and Tenant-Right Matters) Order 2014 (“the Order”) was laid before Parliament on 6 February 2014 and before the Assembly on 7 February 2014.
3. In accordance with section 9(6) of the Public Bodies Act 2011, Assembly consent is required to make the Order. Section 9(6) of the Public Bodies Act 2011 requires the consent of the Assembly in circumstances where an Order made under sections 1 to 5 of that Act makes provision which would be within the legislative competence of the Assembly if it were contained in an Act of the Assembly.

Summary of the Order and its objective

4. The objective of the Order is to abolish the Committee on Agricultural Valuation (“the CAV”). The CAV is the name by which the advisory committee on valuation of improvements and tenant-right matters, established by section 92 of the Agricultural Holdings Act 1986, is known. The CAV is included under Schedule 1 of the Public Bodies Act 2011 which provides for its abolition.
5. The CAV was established to advise on end of agricultural tenancy compensation in England and Wales, including the method for the purpose of calculating valuation of tenancy holdings. There have been no appointments to the CAV for over twenty years and the Committee has been effectively dormant since 1991. Advice on tenancy matters is provided to the Welsh Ministers by the Tenancy Reform Industry Group (TRIG) which is a non-statutory body. The abolition of CAV as a statutory non-departmental public body is an outcome of the UK Government’s 2010 review of the structure of public bodies.

6. The Public Bodies (Abolition of the Advisory Committee on Valuation of Improvements and Tenant-Right Matters) Order 2014 abolishes the CAV. It repeals section 92 of the Agricultural Holdings Act 1986 which established the committee and also makes minor consequential repeals.
7. The order extends to England and Wales.

Provision to be made by the Order for which consent is sought

8. The Order laid by the UK Parliament amends Primary Legislation, namely the Agricultural Holdings Act 1986. Article 2 of the Order abolishes the CAV, established by section 92 of the Agricultural Holdings Act 1986. Article 3 repeals section 92 of the Agricultural Holdings Act 1986 and also repeals the reference to the entry in schedule 1 to the Public Bodies Act 2011 relating to the CAV. The main subject matter of the Agricultural Holdings Act 1986 is agriculture. Further, the provisions of the 2014 Order clearly “relate to” Agriculture given they abolish a committee whose functions were to advise on agricultural tenancy matters and which was established pursuant to an Act, the primary subject area of which is agriculture.
9. Section 107(4) of the Government of Wales Act 2006 (GoWA) permits the Assembly to “make laws... known as Acts of the National Assembly for Wales”. Section 108(4) of GoWA 2006 provides that an Act of the Assembly is within its legislative competence if it “relates to” one or more of the subjects listed under any of the headings in Part 1 of Schedule 7 (subject to exceptions and restrictions). “Agriculture” is one of those subjects and as such, the Assembly would be able to pass legislation containing the necessary provisions abolishing the CAV and repealing the necessary section of the Agricultural Holdings Act 1986 of its own volition, in relation to Wales, as it has legislative competence in this area.
10. It is the view of the Welsh Government that the provisions described in paragraph 8 above fall within the legislative competence of the Assembly in so far as they relate to Agriculture listed under paragraph 1 of Part 1, Schedule 7 to GoWA.

Why is it appropriate for the Order to make this provision

11. The Welsh Government considers that it is appropriate to use a single legislative vehicle to deal with the abolition of the CAV. As the CAV is an England and Wales body the most efficient way for it to be abolished in both countries at the same time will be through a single order. Whilst the Welsh Government and the Assembly have the requisite powers to effect the abolition in Wales, the use of the Order to effect the abolition in both England and Wales appears to represent the most practicable and proportionate method to take this forward.

12. The abolition of the CAV will not have any practical effect on the process for advising on end of agricultural tenancy compensation and valuation of agricultural tenancy holdings in Wales. The CAV is considered to be an obsolete public body as it has not met, or had any members appointed to it, for over twenty years. In effect, the functions of CAV in Wales are now carried out by TRIG a non-statutory organisation.
13. TRIG was originally set up to make recommendations to Ministers for tenancy reform and its work culminated in the changes to tenancy legislation which came into force in 2006. However, TRIG continues to meet on an ad hoc basis to provide advice on tenancy related matters. TRIG comprises of industry representatives and professional bodies, such as the National Farmers Union, Tenant Farmers Association and Country Land and Business Association.
14. A joint UK and Welsh Government public consultation on the abolition of the CAV was conducted by the Department for Environment, Food and Rural Affairs on an England and Wales basis between 16 September and 7 October 2013. In total 5 responses were received with all respondents agreeing to the proposal to abolish the CAV.

Financial implications

15. There are no financial implications arising from the abolition of the CAV. The CAV has no staff or members and the abolition is merely an administrative step to reduce the number of existing redundant public bodies.

Alun Davies AM
Minister for Natural Resources and Food
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