

1st November 2011

TENANCY REFORMS - UNFINISHED BUSINESS

The Scottish Government has today published the draft Agricultural Holdings Bill completing the unfinished reforms to tenancy law passed in the Public Services Reform Order earlier this year. This bill will allow grandchildren to inherit a family tenancy and will make adjustments to rent review provisions outlawing upwards only and landlord only initiated rent reviews. It also clarifies the effect of changes in VAT on rent reviews.

Commenting on the today's announcement STFA chairman Angus McCall said; "STFA is obviously pleased that the seven year campaign to permit a grandchild to succeed a grandparent is finally being translated into legislation. This should have happened as part of the original package of reforms and it is vexing that there has been a year's delay during which some young tenants will have lost their tenancies.

It is therefore disappointing that this provision is only going to apply to a grandparent who dies after the bill becomes law. This means that a tenant whose grandparent died before the date on which the act will take effect is going to be disbarred from succeeding into the family tenanted farm. We will be seeking to address this anomaly in the committee stage to prevent any more young tenants losing their farms.

"This bill should not, however be seen as closing the door on tenancy reform. There is still a long way to go before we have a tenanted structure fit for the 21st century which will encourage the next generation into farming whilst providing sufficient security of tenure to give tenants the confidence to invest in their holdings and grow their businesses. With almost a third of farms in Scotland tenanted tenant farmers have a huge role to play in Scottish agriculture and they must not be inhibited by unreasonable legal constraints.

The recent calls for the extension of right to buy provisions are symptomatic of the widespread frustration and disillusionment which appears to exist within the farming community, it is imperative that root causes behind this dissatisfaction are examined and solutions found. I am pleased to note that the Rural Affairs Committee intends to call for such evidence and will be reviewing the operation of agricultural holdings legislation in the months ahead. We are looking forward to taking part in this process."

Reform of tenancy law will be amongst the topics coming under the microscope in the STFA autumn round of meetings along with the impact of CAP reform on the tenanted sector and renewable energy projects and the tenanted farm.

Notes for editors:

STFA autumn meetings kick off in Inverness at the Fairways Hotel on Monday 7th November

Meetings are:

Mon.	07.11.11	Fairways Hotel	INVERNESS
Tues	08.11.11	Barn and Bushel Thainstone Mart	ABERDEEN
Wed	09.11.11	Huntingtower Hotel	PERTH
Thur	10.11.11	Kingarth Hotel	BUTE
Friday	11.11.11	Corran Halls (<i>NB Starts at 12.00 noon</i>)	OBAN*
Tues	15.11.11	Buccleuch Arms Hotel	ST BOSWELLS
Wed	16.11.11	Urr Valley Hotel	CASTLE DOUGLAS

All meetings, apart from Oban, begin at 7.30pm