

News Release
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STFA ELECTION PRIORITIES

Helping new entrants into farming, encouraging the release of land on to the letting market and protecting the existing tenancies remain the main priorities facing the tenanted sector according to the manifesto published in the STFA quarterly newsletter. STFA has highlighted ten top areas to be addressed by the next government and is also seeking a review of existing tenancy law to bring agricultural holdings legislation up to date and to preserve the continuity of Scotland's existing structure of secure tenanted farms.

In speaking about the STFA Manifesto Chairman Angus McCall said: "The future of support through the CAP regime will obviously preoccupy the agricultural industry over the coming years, but we must not lose sight of the challenges facing the tenanted sector which continues to shrink as more and more land is either taken back in hand or let on short term agreements. We want to make succession into tenanted farms easier and to encourage more land on to the letting market.

"There are clearly a number of areas where the law is not working and we have asked all parties to undertake a review of the legislation as a matter of urgency in the next parliamentary session. A prime example is the cumbersome and out dated rent review system which is costing the industry dear in time and expense. We have had favourable responses from all parties*, and will be holding the next government to its word.

I think government has an important role to play in encouraging landowners to let land and in finding opportunities to create starter farms for new entrants on publicly owned land, for example, on unplanted land owned by the Forestry Commission. If action is not taken soon farming may well become a closed shop and the preserve of existing farming businesses or the super-rich. Whoever is in power after May 5th must make a healthy tenanted sector one of its main priorities."

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MANIFESTO FOR 2011 SCOTTISH PARLIAMENTARY ELECTIONS

About a third of the agricultural land in Scotland is tenanted and as a consequence the prosperity of tenant farming plays an important part in the rural economy. Tenant farmers face different challenges from owner-occupiers because they do not have the ultimate security of ownership over their land.

In focusing on tenant farming issues STFA highlights the following topics as being of vital importance to tenants:

- Encouraging new entrants into the industry is still one of the big challenges of Scottish agriculture. The New Entrant Scheme initiated by the last administration has helped some farmers' sons and daughters, but it has led to very few genuine new entrants. Landowners must be encouraged and persuaded by government to make land available to new entrants. Retirement packages for older tenant farmers should be revisited and share-farming and other options explored to allow new blood to enter the industry.
- Single Farm Payment must be made available to new entrants at the earliest opportunity especially if there is to be an extended transition period of CAP reform post 2013.
- The principle of continuing direct support rewarding agricultural activity as defined by the Pack Report should be supported and developed. STFA recommends a basic area payment according to land quality and use supplemented by activity driven top ups.
- Any incoming administration must develop an integrated land use policy taking account of competing interests particularly between agriculture and forestry. Planning controls should be put in place so the best use is made of our land and productive agricultural land is not lost to forestry.
- Access to funding SRDP must be open to all and capped at a suitable level. Specific funding should be available on a non-competitive basis to tackle climate change and other environmental challenges.
- Agricultural Holdings legislation should be reviewed to assess strengths and weaknesses. In particular, rent review provisions must be simplified.
- Renewable energy – a Scottish energy strategy is required to blend in the differing forms of renewable energy in the most effective way. Tenant farmers should be encouraged to take part in providing alternative energy sources such as wind turbines and hydro schemes.
- The LFASS must continue post 2013. To date LFASS has proved to be the most effective Rural Development scheme in delivering support where it is needed.
- A new Scottish Government must seek cut the bureaucracy and red tape surrounding European agricultural legislation and put an end to the imposition of disproportionate penalties for cross compliance breaches
- There must be an independent regulatory body set up to ensure fair trade with Scotland's supermarkets.

Holdings Legislation

Reviewing legislation is a necessary function of government, no legislation will be perfect and its operation will need to be periodically monitored and examined. 7 years on, the 2003 Act has still not achieved its stated aim to revitalise the tenanted sector. It is recognised by all the political parties that the time is ripe for an appraisal of such a vital piece of farming legislation

AREAS TO BE REVISITED

Legislative review – agricultural legislation should be reviewed to ensure it is clear, unambiguous and still fit for purpose.

Succession - Rights of succession must be modernised. Proposed legislation to allow grandchildren to succeed grandparents into tenancies must be passed by Parliament at the earliest opportunity. Further re-definition of the “near relatives” entitled to succeed to tenancy is required.

Assignment – The operation of this new provision should be examined and an assessment made as to whether its’ scope should be broadened

Limited Partnerships – The existing protection measures for these tenancies needs to be examined. Whilst many of these limited partnership tenancies have been converted to Limited Duration Tenancies the vast majority of them still operate on a year to year basis with only limited protection under the 2003 Act.

Rent Reviews – Rent review provisions are clearly not working and their complex nature is encouraging confrontation and dispute. A review of Section 13 in the 1991 Act must be carried out as a matter of urgency.

Land Court Procedures – Court procedures must be reviewed to cut out unnecessary procedural and tactical delays which contribute to the expense and time taken to hear cases.

Compensation for tenants’ improvements – Outgoing tenants must receive the compensation due to them for necessary improvements they have made to their holdings. Present drafting of the legislation needs to be clarified to clarify this.

Alternative dispute resolution – alternative means of resolving disputes must be examined and a trained impartial body of arbitrators created who are acceptable to all.

Consolidation Act - As further reforms are made to agricultural holdings legislation interpretation be comes increasingly complex, consideration should be made to bring forward an act to consolidate holdings legislation