TFF COMMENTS ON COMMITTEE RECOMMENDATIONS

Issued on behalf of the Tenant Farming Forum

Scotland’s Tenant Farming Forum (TFF), which aims to promote a healthy tenanted farm sector in Scotland, has discussed a Scottish Parliamentary Committee’s report on agricultural holdings legislation and the recent Court of Session ruling on the Moonzie rent review case.

TFF Chairman, Phil Thomas said:

“In discussing the Scottish Parliament’s Rural Affairs, Climate Change and Environment Committee’s Stage 1 Report on The Agricultural Holdings (Amendment) (Scotland) Bill, published on the day of the meeting, TFF was encouraged by the interest and insights the Committee had shown on a number of key matters. These reflected areas in which TFF has already agreed to focus its work to address problems raised by tenants and landowners.

“The Parliamentary Committee had also recognised that changes needed to be made step by step so as to achieve consensus, where possible. In that regard, whilst the aspirations of some TFF members to broaden rights of succession were recognised, it was felt that these would be better addressed if based on thoroughly researched proposals outside the terms of the present Bill.

“The TFF also considered the implications of Lord Gill’s decision in overturning the Scottish Land Court’s determination of the rent of Moonzie Farm. The consensus was that the decision had provided a clear Court of Session interpretation of the provisions of the Agricultural Holdings (Scotland) Act, and in that sense was definitive.

“However, there were differing views on the ‘primacy of the open market’ model detailed by Lord Gill as a basis for setting rents. Some members felt that, particularly for 1991 tenancies, there was a long-term ‘back to back’ business relationship between the landowner and the tenant, and the long-term viability of the farm was a key consideration.

“However, it was pointed out that, throughout the period of consideration of the Moonzie Farm case, rent assessments had continued to be set taking a wide range of factors into account. Thus, TFF professional body representatives felt that, whilst Lord Gill’s decision was a legal clarification, it should not be regarded as a watershed leading to a step change in rent assessments.” Ends
NOTES TO EDITORS

- The primary purpose of the Tenant Farming Forum is to help to promote a healthy farm tenanted sector in Scotland. It aims to fulfil this purpose by:

  1. Providing a discussion forum among those representing groups/organisations with a direct involvement in the sector, and who are committed to consensus building through fair and equitable discussion and representation;

  2. Contributing to an understanding of the significance, and the practical implications of implementing current legislation, (for example, at this time, the Agricultural Holdings (Scotland) Act 2003), and any future proposed legislation governing the sector;

  3. Identifying specifically, and raising awareness of issues that may inhibit or act as impediments to achieving effective relationships within the sector;

  4. Formulating views and opinions as to how effective relationships and ‘best practice’ can be developed and secured;

  5. Consulting and liaising with government departments, agencies and other bodies about matters that may directly affect relationships within the sector; and

  6. Having a vision as to how the future well being of the sector can be assured in the context of proposed changes in European and UK agricultural and environmental policies, and their implications for the rural economy; and continually reviewing the implications for the sector of new initiatives, for example, such as contract farming, and rural planning developments.

- The Tenant Farming Forum is made up of the following organisations: Scottish Tenant Farmers Association (STFA), Scottish Estates Business Group (SEBG), Scottish Land & Estates, Royal Institution of Chartered Surveyors (RICS), and NFU Scotland (NFUS).

- Observers on the group are the Scottish Government, the Law Society and the Scottish Association of Young Farmers Clubs (SAYFC).

- Details on the TFF can be found at its website:  www.tenantfarmingforum.org.uk