Dear Mr Gibson

Agricultural Holdings (Amendment) (Scotland) Bill

At the meeting of the Rural Affairs, Climate Change and Environment Committee on Wednesday 11 January 2012, the Committee took evidence from officials on Stage 1 of the Agricultural Holdings (Amendment) (Scotland) Bill.

During the course of that evidence officials were asked why the Commencement section provides that the substantive provisions of the Bill will come into force 2 months after Royal Assent. The Committee wanted to know if the Bill could be brought into force within a shorter period after Royal Assent.

The Scottish Government policy on the commencement of Bills is that, in general, no Act or part of an Act should be brought into operation earlier than 2 months after Royal Assent. The purpose of this general rule is to ensure that those who will be affected by the Bill have reasonable opportunity to acquaint themselves with its final form and to prepare for its coming into force.

The period of two months may be waived in exceptional circumstances or where there are pressing reason such as the need for early implementation. It is not felt that the circumstances justify departure from the usual position on this occasion.

During the course of the evidence giving session, officials were also asked if there were any available figures on the extent to which the decrease in agricultural tenancies were due to:

- Tenants purchasing land; and or
- Land becoming vacant and being taken back into control of the land owner.

The statistics on the number of holdings with tenancy agreements have been derived from information collected through the June Agricultural Census. The June Census serves as an annual stock take of land use and livestock numbers present on agricultural holdings in...
Scotland. It is run primarily to meet the information needs of EC Statistical regulations and also collects information on the number and area of tenancy agreements.

It is not possible to tell directly from the June Census if the decline in tenancy agreements is due to tenants purchasing the land or the land owner taking back control of the land, as these types of questions are not included on the June Census. We are looking into the possibility of estimating this information by linking the June Census data to the corporate register of holdings, which contains holding details, and by exploring other data sources such as land sales from the Registers of Scotland.

It is not yet known if this estimation would provide robust findings on the main drivers for decreasing tenancy agreements.

We have also provided further background statistics for the information of the Committee (Annex A). In the table, we are unable to provide figures pre 2005 for the number of holdings with tenancy agreements (excluding crofts) or the number of rented holdings with at least one croft, as these were not collected. The diagram demonstrates the upward trajectory of owned holdings compared to the slow downward trajectory of holdings with rented land. I hope you find the Annex helpful.

Yours Sincerely

David Barnes
Deputy Director Agriculture & Rural Development Division
### ANNEX A

#### Number of holdings with rent land or owned land and number of holdings with tenancy agreements

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of holdings with tenancy agreements (excluding crofts)</th>
<th>Number of All holdings with rented land (including crofts)</th>
<th>Number of rented holdings with at least one croft</th>
<th>% of rented holdings with tenancy agreements</th>
<th>Total holdings with owned land</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992</td>
<td>7,470</td>
<td>18,525</td>
<td>11,055</td>
<td>40.3%</td>
<td>35,646</td>
</tr>
<tr>
<td>1993</td>
<td>7,385</td>
<td>18,419</td>
<td>11,034</td>
<td>40.1%</td>
<td>35,999</td>
</tr>
<tr>
<td>1994</td>
<td>7,202</td>
<td>18,147</td>
<td>10,945</td>
<td>39.7%</td>
<td>36,319</td>
</tr>
<tr>
<td>1995</td>
<td>7,096</td>
<td>17,996</td>
<td>10,900</td>
<td>39.4%</td>
<td>36,619</td>
</tr>
<tr>
<td>1996</td>
<td>7,010</td>
<td>17,908</td>
<td>10,898</td>
<td>39.1%</td>
<td>37,017</td>
</tr>
<tr>
<td>1997</td>
<td>6,841</td>
<td>16,645</td>
<td>9,804</td>
<td>41.1%</td>
<td>37,834</td>
</tr>
<tr>
<td>1998</td>
<td>6,743</td>
<td>16,627</td>
<td>9,884</td>
<td>40.6%</td>
<td>37,444</td>
</tr>
</tbody>
</table>


- Number of holdings with tenancy agreements (excluding crofts)
- All holdings with rented land (including crofts)
- Total holdings with owned land
- Number of rented holdings with at least one croft

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