Land Reform (Scotland) Bill

3rd Marshalled List of Amendments for Stage 2

The Bill will be considered in the following order—

- Sections 1 to 21
- Sections 22 to 34
- Schedule
- Sections 35 to 97
- Sections 98 to 102
- Sections 103 and 104
- Long Title

Amendments marked * are new (including manuscript amendments) or have been altered.

**After section 65**

Sarah Boyack

128 After section 65, insert—

**<PART**

**COMPULSORY SALE ORDERS**

**Compulsory sale orders**

(1) A local authority may, in relation to land within the authority’s area which falls within subsection (2), make an order requiring the owner of land specified in the order to offer the land for sale by such method and within such period as is so specified (a “compulsory sale order”).

(2) That land is land which—

(a) has been vacant or derelict for a continuous period of at least three years prior to the date on which the compulsory sale order is made, and

(b) is—

(i) of such type as may be specified, and

(ii) no greater in area than the maximum area specified,

for the purposes of this section by the Scottish Ministers by regulations.

(3) A compulsory sale order may be made—

(a) on the authority’s own initiative, or

(b) on an application by a community body.

(4) The Scottish Ministers may by regulations make further provision in connection with compulsory sale orders.

(5) Regulations under subsection (4) may in particular include provision about—

(a) circumstances in which a compulsory sale order may not be made,

(b) any consultation and notification that is to take place before a compulsory sale order may be made,
(c) information that is to be contained in a compulsory sale order,

(d) the ability of local authorities to require the giving of commitments by prospective purchasers as to the future use of land which is subject to a compulsory sale order,

(e) whether the owner may refuse to accept offers for land which is subject to a compulsory sale order,

(f) circumstances in which a local authority may, following the making of a compulsory sale order, make its own arrangements for the land subject to the order to be sold at public auction,

(g) a procedure for any community body which has had a request to a local authority to make a compulsory sale order refused to appeal against that decision,

(h) the maintenance by local authorities of registers of vacant or derelict land for the purposes of identifying land which may be made subject to a compulsory sale order.

(6) In this section—

“community body” means a body, whether or not formally constituted, established for purposes which consist of or include that of promoting or improving the interests of any communities (however described) present in the area in which the vacant or derelict land is situated,

“land” includes buildings (including residential properties and individual properties within tenements).>

### Before section 66

**Patrick Harvie**

129 Before section 66, insert—

<Entry in valuation roll of vacant and derelict land>

**Entry in valuation roll of vacant and derelict land**

(1) The Local Government (Scotland) Act 1975 is amended as follows.

(2) After section 1, insert—

“1ZA Entry in valuation roll of vacant and derelict lands and heritages

(1) The assessor for each valuation area must, in making up the valuation roll in respect of the first year of revaluation which follows the date on which section (Entry in valuation roll of vacant and derelict land) of the Land Reform (Scotland) Act 2016 first comes into force and subsequent valuation rolls, comply with subsection (2).

(2) The valuation roll must include—

(a) all vacant and derelict lands and heritages within the valuation area (including lands on which there is no building), and

(b) a rateable value for all such lands and heritages based on such method prescribed by virtue of section 6(1) as the assessor considers appropriate.”.>
Section 66

Alex Fergusson

94 Leave out section 66

Section 67

Patrick Harvie

130 In section 67, page 50, line 5, leave out <1> and insert <1ZA (as inserted by section (Entry in valuation roll of vacant and derelict land)>}

Aileen McLeod

122 In section 67, page 50, line 8, leave out <the yearly value of>

Aileen McLeod

123 In section 67, page 50, line 9, at end insert <relating to,>

Aileen McLeod

124 In section 67, page 50, line 10, at end insert <, in so far as situated in,>

Aileen McLeod

125 In section 67, page 50, line 11, leave out <in so far as exercisable or, as the case may be, situated in>

Michael Russell

126 In section 67, page 50, line 11, at end insert—

<() In determining the rateable value of any shootings or deer forests, the assessor may make such deduction from the net annual value as the assessor considers appropriate to reflect good management in the public interest of the shootings or deer forests.”>

Alex Fergusson

95 Leave out section 67

After section 67

Patrick Harvie

131 After section 67, insert—
Rating of unoccupied industrial lands and heritages

In Part 1 of the schedule of the Non-Domestic Rating (Unoccupied Property) (Scotland) Regulations 1994, paragraph (a)(iii) (which refers to industrial lands and heritages) is revoked.

Section 70

Claudia Beamish

119 In section 70, page 51, line 4, at end insert—

<(  ) After section 5A insert—

“5B Requirement to comply with code of practice

(1) SNH may, for the purposes of any of its deer functions, by notice served on an owner or occupier of land, give notice that, in the opinion of SNH, that owner or occupier is not complying with a code of practice on deer management drawn up and approved under section 5A.

(2) A notice served under subsection (1) must—

(a) be in writing;
(b) specify the manner in which the owner or occupier has failed to comply with the code of practice;
(c) specify the steps that must be taken by the owner or occupier to comply with the code of practice; and
(d) specify the period of time by the end of which the steps must be taken.

(3) An owner or occupier may appeal to the Scottish Land Court against—

(a) the decision by SNH to give notice under subsection (1);
(b) any of the matters specified in the notice under paragraphs (b) to (d) of subsection (2).

(4) An appeal under subsection (3) must be made not later than 28 days after the date on which the notice was served.

(5) The Scottish Land Court—

(a) must determine an appeal under subsection (3) on its merits rather than by way of review;
(b) may dispose of the appeal by—

(i) affirming the notice;
(ii) directing SNH to amend the notice in such manner as the Court thinks fit;
(iii) directing SNH to revoke the notice; or
(iv) making such other order as the Court thinks fit.

(6) An owner or occupier on whom a notice under subsection (1) is served commits an offence where—
(a) the owner or occupier has failed to carry out the steps specified under subsection (2)(c) within the period of time specified under subsection (2)(d); and

(b) subsection (7) applies.

(7) This subsection applies where—

(a) the owner or occupier has not appealed under subsection (3) within the time specified in subsection (4); or

(b) where an appeal has been made, the Scottish Land Court has affirmed the notice either in full or in part such that the steps specified under subsection (2)(c) to be taken within the period of time specified under subsection (2)(d) continue to apply.”.

Michael Russell

1 In section 70, page 51, line 7, at end insert—

<“6ZA Public register of deer management plans

(1) This section applies to owners and occupiers of land who, in the form of a deer management group, produce a deer management plan.

(2) Such owners and occupiers of land must upon production of a deer management plan—

(a) give notice via a public register, managed by Scottish Natural Heritage, that a new deer management plan is proposed,

(b) specify in the notice the period within which, and the manner in which, representations or objections with respect to the proposed deer management plan may be made,

(c) specify in the notice details of—

(i) where and how such representations or objections (if any are made) may be viewed, and

(ii) how copies of any such representations or objections that are made may be obtained,

(d) consult persons who, so far as they can reasonably ascertain, have an interest in, or may be affected by, the proposed plan, and

(e) specify the period (being not less than 28 days beginning with the date of consultation) within which, and the manner in which, representations or objections with respect to the proposed deer management plan may be made by such persons.

(3) In producing the final deer management plan, the deer management group must take into account any representations and objections made in respect of it.

(4) Having decided whether or not to make the proposed changes made by representations to the deer management plan consultation, and following agreement by Scottish Natural Heritage that no amendments are required, the applicant must—

(a) publish in a newspaper (which may be a local newspaper) circulating in the district or districts affected by the proposed plan a notice containing—
(i) a summary of the reasons for the decision,
(ii) details of where and how a written statement of such reasons may be viewed, and
(iii) details of how copies of such a written statement may be obtained, and
(b) send a copy of such a written statement to any person who made representations or objections to the proposed deer management plan under this section.

(5) The costs of complying with this section are to be met by the owners and occupiers of the land to which the plan applies.

Michael Russell

2 In section 70, page 52, line 2, before <without> insert <with or>

Claudia Beamish

120 In section 70, page 52, line 16, at end insert—

<(  ) After section 16 insert—

“Power to impose further sustainable deer management requirements

16A Amendments to deer management provisions

(1) The Scottish Ministers may by regulations modify this Act to impose further requirements on owners and occupiers of land in respect of the sustainable management (within the meaning given by a code of practice drawn up and approved under section 5A) of deer populations.

(2) Regulations under this section are subject to the affirmative procedure.”.

(  ) In section 47 (orders, regulations etc.), in subsection (1), for “section” substitute “sections 16A(2) and”.

Claudia Beamish

121 In section 70, page 52, line 16, at end insert—

<(  ) In Schedule 3 (penalties)—

(a) after the entry relating to section 5(5), in column 1, insert “5B(6)”,
(b) in column 2, opposite the entry inserted by paragraph (a), insert “Failure to comply with notice issued in relation to code of practice”,
(c) in column 3, opposite the entry inserted by paragraph (b), insert “a fine of level 4 on the standard scale or 6 months imprisonment or both”.

After section 70

Michael Russell

3 After section 70, insert—
<Power to require return on number of deer planned to be killed

(1) Section 40 of the Deer (Scotland) Act 1996 (power of SNH to require return of number of deer killed) is amended as follows.

(2) In subsection (1), at the end insert “or how many deer or each species and of each sex are planned to be taken or killed in the following year.”.

(3) In subsection (2)(b), after “preceding” insert “or, as the case may be, following”.

(4) In subsection (3), after “above” insert “, where it precedes the notice,”.

(5) After subsection (3), insert—

“(3A) A period specified by virtue of subsection (2)(b) above, where it follows the notice, shall not exceed one year.”.

Section 74

Richard Lochhead

154 In section 74, page 56, line 1, after <tenancy> insert <or a repairing tenancy>

Richard Lochhead

155 In section 74, page 56, line 22, at end insert—

< (( ) Section 5B does not apply to a modern limited duration tenancy created under subsection (2), (3) or (4).>

Section 76

Claudia Beamish

272 In section 76, page 57, leave out lines 18 to 21 and insert <, and

(c) specify, in relation to any improvements made (or expected to be made) by the tenant during the tenancy for which compensation is (or would be) payable under Part 4 of this Act, an amount of compensation that has been agreed between the landlord and the tenant or determined by arbitration.

(3) A notice under subsection (1) is of no effect unless the landlord has given to the tenant, not less than 2 years nor more than 3 years before the expiry of the term of the tenancy, written intimation of—

(a) the landlord’s intention to terminate the tenancy, and

(b) in relation to any improvements made (or expected to be made) by the tenant during the tenancy for which compensation is (or would be) payable under Part 4 of this Act, either or both of—

(i) a proposed amount of compensation,

(ii) the landlord’s intention to refer the amount of that compensation to arbitration (if it cannot be agreed with the tenant).>
In section 76, page 58, line 19, leave out <10> and insert <7>.

Section 78

In section 78, page 60, line 7, at end insert—

<(2A) Any term of such a lease or of an agreement in connection with the lease that provides for the lease to be irritated solely on the grounds set out in subsection (2B) is, unless subsection (2C) applies, of no effect.

(2B) The grounds are that the tenant has not made, or has not made in full, a payment of the rent due under the lease.

(2C) This subsection applies if—

(a) the tenant was given an invoice for the payment before the date on which payment was due, and

(b) the tenant was given a reasonable opportunity to make the payment after the date on which it was due.>

Section 79

Leave out section 79 and insert—

<Conversion of 1991 Act tenancies into modern limited duration tenancies>

(1) The 2003 Act is amended as follows.

(2) Section 2 is repealed.

(3) After that section insert—

Conversion from 1991 Act tenancy to modern limited duration tenancy

(1) The landlord and tenant under a 1991 Act tenancy may terminate the tenancy by agreement in writing provided that—

(a) the agreement—

(i) specifies the date on which the termination is to have effect, and

(ii) is made not less than 30 days before that date, and

(b) subsection (2) is complied with.

(2) This subsection is complied with if the landlord and tenant enter into a lease constituting a modern limited duration tenancy for a term of not less than 25 years which—

(a) comprises or includes the same land as that comprised in the tenancy being terminated under subsection (1), and

(b) has effect from the date on which the termination under that subsection has effect.
(3) The landlord or tenant is entitled, at any time before the date on which the termination under subsection (1) has effect, to revoke (without penalty)—
   (a) the agreement made under that subsection, and
   (b) the lease mentioned in subsection (2),
by giving notice in writing to the other of the revocation.

(4) On termination of a 1991 Act tenancy under subsection (1), the tenant is entitled to—
   (a) such compensation for improvements as the tenant would have been entitled to under Part 4 (compensation for improvements) of the 1991 Act (or, as the case may be, under the lease), and
   (b) such compensation as the tenant would have been entitled to under section 45A (compensation arising as a result of diversification and cropping of trees) of that Act,
were the tenant quitting the holding as a result of the termination of the tenancy.

(5) Where a 1991 Act tenancy is terminated under subsection (1), section 21 (notice to quit and notice of intention to quit) of the 1991 Act does not apply in respect of the tenancy.

(6) Section 5B does not apply to a modern limited duration tenancy created under this section.”.

Alex Fergusson

291 Leave out section 79 and insert—

<Conversion of 1991 Act tenancies into modern limited duration tenancies and assignation

(1) The Scottish Ministers may by regulations make provision for the conversion of 1991 Act tenancies into modern limited duration tenancies and the assignation of any tenancy so converted to an individual who is a new entrant to, or who is progressing in, farming.

(2) A 1991 Act tenancy is converted into a modern limited duration tenancy if, in accordance with regulations under subsection (1)—
   (a) the lease of the 1991 Act tenancy is terminated, and
   (b) the tenant and the landlord enter into, or are deemed to enter into, a lease constituting a modern limited duration tenancy which—
      (i) has a term of 25 years,
      (ii) comprises or includes the same land as that comprised in the 1991 Act tenancy, and
      (iii) has effect from the date of termination of that tenancy.

(3) The tenant must in accordance with regulations under subsection (1) serve a notice on the landlord intimating that the tenant wishes to convert the tenancy to a modern limited duration tenancy (“the notice of conversion and assignation”), specifying in particular the identity of the proposed assignee and the value which the proposed assignee has agreed to pay for the modern limited duration tenancy.

(4) The landlord may in accordance with regulations under section (1)—
(a) serve a notice on the tenant stating that the landlord does not wish to accept the notice of conversion and assignation and, in exchange for the tenant quitting the tenancy, the landlord shall pay the tenant a sum of money equal to the amount to be paid by the proposed assignee as set out in the notice of conversion and assignation, or

(b) serve a notice on the tenant stating that the landlord wishes to accept the notice of conversion and assignation.

(5) Where a notice has been served in accordance with subsection (4)(b), the tenant may in accordance with regulations under subsection (1), convert the tenancy to a modern limited duration tenancy and assign it to an individual who is a new entrant to, or is progressing in, farming.

(6) Regulations under subsection (1) may, in particular, include provision about—

(a) the individuals who are new entrants to, or who are progressing in, farming,

(b) the procedure for and effects of conversion and assignation, including—

(i) the content and form of the notice of conversion and assignation, and

(ii) the information that may or must accompany a notice of conversion and assignation,

(c) the period following the notice of conversion and assignation within which the landlord must serve notice under subsection (4),

(d) the effect of a notice of conversion and assignation on the tenant’s and the landlord’s rights and obligations during the period following the giving of notice,

(e) the effect, on the notice of conversion and assignation and on the proposed conversion and assignation, where any matters are pending before the Land Court when the notice is given,

(f) the terms of the lease for the modern limited duration tenancy, including the terms where the tenant and the landlord do not agree about any matter,

(g) the effect of conversion and assignation on any entitlement to compensation under Parts 4 and 5 of the 1991 Act, and

(h) the application of section 7B of the 2003 Act in relation to the assignation of the modern limited duration tenancy.

(7) Regulations under subsection (1) may modify any enactment (including this Act).>
“2B Conversion from limited duration tenancy to modern limited duration tenancy

(1) The landlord and tenant under a limited duration tenancy may terminate the tenancy by agreement in writing provided that—

(a) the agreement—

(i) specifies the date on which the termination is to have effect, and

(ii) is made not less than 30 days before that date, and

(b) subsection (2) is complied with.

(2) This subsection is complied with if the landlord and tenant enter into a lease constituting a modern limited duration tenancy for a term of not less than the term remaining under the limited duration tenancy which—

(a) comprises or includes the same land as that comprised in the tenancy being terminated under subsection (1), and

(b) has effect from the date on which the termination under that subsection has effect.

(3) The landlord or tenant is entitled, at any time before the date on which the termination under subsection (1) has effect, to revoke (without penalty)—

(a) the agreement made under that subsection, and

(b) the lease mentioned in subsection (2),

by giving notice in writing to the other of the revocation.

(4) On termination of a limited duration tenancy under subsection (1), the tenant is not entitled to compensation for improvements under Part 4 (or, as the case may be, under the lease).

(5) But any improvements for which the tenant would have been entitled to compensation under that Part but for subsection (4) are, for the purposes of that Part, to be regarded as improvements carried out during the modern limited duration tenancy.

(6) Where a limited duration tenancy is terminated under subsection (1), section 8 does not apply in respect of the tenancy.

(7) Section 5B does not apply to a modern limited duration tenancy created under this section.”

Richard Lochhead

159 After section 79, insert—

<CHAPTER

REPAIRING TENANCIES

Repairing tenancies: creation

(1) The 2003 Act is amended as follows.

(2) After section 5B (as inserted by section 74) insert—

“5C Repairing tenancies: creation

(1) Where—
(a) agricultural land is let under a lease entered into on or after the coming into force of this section for a term of not less than 35 years,

(b) the land comprised in the lease is not let to the tenant during the tenant’s continuance in any office, appointment or employment held under the landlord,

(c) the lease does not constitute a 1991 Act tenancy,

(d) the lease requires the tenant, during the repairing period, to improve the land comprised in the lease in order to bring it into a state capable of being farmed, after the expiry of the repairing period, in accordance with the rules of good husbandry, and

(e) the lease expressly states that this section is to apply to the tenancy,

the tenancy is, by virtue of this subsection, a repairing tenancy.

(2) In this Part, the “repairing period” is the period, beginning with the commencement of the tenancy, of—

(a) 5 years, or

(b) such longer period as the landlord and tenant may agree.

(3) The Land Court may, during the repairing period, extend the repairing period on the application of either the landlord or the tenant.

(4) A lease constituting a repairing tenancy may contain a provision that the tenancy may be terminated in accordance with section 8G (a “break clause”).

(5) In this section and section 5D, what is good husbandry is to be construed by reference to schedule 6 of the Agriculture (Scotland) Act 1948.

5D Repairing tenancies: exemption from rules of good husbandry during repairing period

(1) Where a lease constituting a repairing tenancy does not include provision mentioned in subsection (2), such provision is incorporated.

(2) The provision is that during the repairing period the tenant cannot be held liable for not farming the land comprised in the lease in accordance with the rules of good husbandry.”.

Richard Lochhead

160 After section 79, insert—

<Repairing tenancies: subletting

(1) The 2003 Act is amended as follows.

(2) After section 7B (as inserted by section 86) insert—

“7C Subletting of repairing tenancies

(1) During the repairing period, a tenant may not sublet the land comprised in a lease constituting a repairing tenancy without the consent of the landlord.

(2) After the expiry of the repairing period, a tenant may sublet the land comprised in a lease constituting a repairing tenancy only on such basis as the lease expressly permits.”.”
Richard Lochhead

161 After section 79, insert—

<Repairing tenancies: termination, continuation and extension

(1) The 2003 Act is amended as follows.
(2) After section 8E (as inserted by section 76) insert—

“8F Termination, continuation and extension of repairing tenancies

(1) Subject to section 8G, sections 8A to 8C apply to the termination of a repairing tenancy as to the termination of a modern limited duration tenancy.
(2) Section 8E applies to the continuation and extension of a repairing tenancy as to the continuation and extension of a modern limited duration tenancy.

8G Termination of repairing tenancies subject to break clause

(1) This section applies where the lease constituting a repairing tenancy contains a break clause by virtue of section 5C(4).
(2) At any time until the expiry of the repairing period, the tenant may terminate the tenancy by giving a notice under this subsection to the landlord.
(3) A notice under subsection (2) must—
   (a) be in writing and state that the tenant intends to quit the land on a date specified in the notice, which is to be no later than the expiry of the repairing period, and
   (b) be given not less than 1 year nor more than 2 years before the date specified in the notice.
(4) The landlord may terminate the tenancy on the expiry of the repairing period by giving a notice under this subsection to the tenant.
(5) A notice under subsection (4) must—
   (a) be in writing and state—
      (i) that the tenant must quit the land on the expiry of the repairing period, and
      (ii) the landlord’s reasons for terminating the tenancy, and
   (b) be given not less than 1 year nor more than 2 years before the expiry of the repairing period.
(6) The landlord—
   (a) may not give notice under subsection (4) on the grounds that the tenant is not farming the land in accordance with the rules of good husbandry,
   (b) may give notice under subsection (4) if the tenant is otherwise failing to comply with any other provision of the lease.
(7) For the purposes of subsection (6), what is good husbandry is to be construed by reference to schedule 6 of the Agriculture (Scotland) Act 1948.”.>
After section 79, insert—

<Repairing tenancies: fixed equipment

(1) The 2003 Act is amended as follows.

(2) After section 16A (as inserted by section 77) insert—

“16B Repairing tenancies: fixed equipment

(1) Where a lease constituting a repairing tenancy is entered into and fixed equipment is comprised in the lease, the parties must agree in writing a schedule of fixed equipment specifying—

(a) the fixed equipment which the landlord will provide during the repairing period as will enable the tenant to maintain efficient production, after the expiry of the repairing period, as respects the use of the land as specified in the lease,

(b) the condition of such fixed equipment, and

(c) any fixed equipment on the land which may be disregarded for the purposes of subsections (5) and (6),

and on being so agreed (or, failing such agreement, on being determined in accordance with section 77 or 78) the schedule of fixed equipment is deemed to form part of the lease.

(2) The schedule of fixed equipment must be agreed before the expiry of the period of 90 days beginning with the commencement of the tenancy.

(3) If at any time after the commencement of the tenancy the fixed equipment or its condition is varied, the landlord and tenant may agree to amend the schedule of fixed equipment accordingly or to substitute for it a new schedule.

(4) The cost of making and agreeing the schedule of fixed equipment under this section must, unless otherwise agreed, be borne by the landlord and tenant in equal shares.

(5) Unless the lease makes provision to the contrary, there is incorporated in every such lease an undertaking by the tenant that the tenant will, during the repairing period—

(a) provide such fixed equipment, and

(b) effect such maintenance, renewal or replacement of the fixed equipment provided by the tenant by virtue of paragraph (a) and by the landlord by virtue of subsection (1)(a),

as may be necessary to enable the tenant to maintain efficient production, after the expiry of the repairing period, as respects the use of the land as specified in the lease.

(6) Unless the lease makes provision to the contrary, there is also incorporated in every such lease—

(a) an undertaking by the landlord that the landlord will, after the expiry of the repairing period, effect such renewal or replacement of the fixed equipment specified in the schedule of fixed equipment as may be rendered necessary by natural decay or by fair wear and tear, and
(b) a provision that the liability of the tenant in relation to the maintenance of fixed equipment, after the expiry of the repairing period, extends only to a liability to maintain the fixed equipment specified in the schedule of fixed equipment in as good a state of repair (natural decay and fair wear and tear excepted) as it was in—

(i) at the expiry of the repairing period, or

(ii) in the case of equipment improved, provided, renewed or replaced, after the expiry of the repairing period, immediately after it was so improved, provided, renewed or replaced.

(7) Subsections (5) and (6) do not apply to any fixed equipment specified in the schedule of fixed equipment by virtue of subsection (1)(c).

(8) Any agreement between the landlord and tenant which purports to provide for the tenant, whether during the repairing period or after its expiry, to bear any expense of any work which the landlord is required to execute in order to fulfil the landlord's obligations under the lease is of no effect.

(9) Any term of a lease constituting a repairing tenancy that requires the tenant, whether during the repairing period or after its expiry, to pay the whole or any part of the premium due under a fire insurance policy over any fixed equipment on the land is of no effect.”.

Richard Lochhead

163  After section 79, insert—

<Repairing tenancies: resumption of land by landlord

(1) The 2003 Act is amended as follows.

(2) After section 17 insert—

“17A  Resumption of land by landlord: repairing tenancies

(1) Until 5 years have elapsed from the date of expiry of the repairing period, the landlord may not resume the land or any part of the land comprised in the lease constituting the repairing tenancy.

(2) After 5 years have elapsed from the date of expiry of the repairing period, section 17 applies to the resumption of the land or any part of the land comprised in a lease constituting a repairing tenancy as it applies to the resumption of the land or any part of the land comprised in a lease constituting a limited duration tenancy or a modern limited duration tenancy.”.

Richard Lochhead

164  After section 79, insert—

<Repairing tenancies: irritancy

(1) The 2003 Act is amended as follows.

(2) After section 18A (as inserted by section 78)—
“18B  Irritancy of lease and good husbandry: repairing tenancies
(1) During the repairing period, the landlord may not irritate a lease constituting a repairing tenancy on the grounds that the tenant is not farming the land comprised in the lease in accordance with the rules of good husbandry.
(2) For the purposes of subsection (1), what is good husbandry is to be construed by reference to schedule 6 of the Agriculture (Scotland) Act 1948.
(3) After the expiry of the repairing period, section 18A applies to the irritancy of a lease constituting a repairing tenancy as to the irritancy of a lease constituting a modern limited duration tenancy.”.

Richard Lochhead

165  After section 79, insert—

<Repairing tenancies: compensation
(1) The 2003 Act is amended as follows.
(2) After section 59 insert—

“59A  Compensation under repairing tenancies
The Scottish Ministers may by regulations provide that Part 4, in its application to repairing tenancies, has effect with such modifications as the regulations may specify.”.

Section 80

Michael Russell

292  In section 80, page 62, leave out line 14 and insert—

<(b) includes a sub-tenant in a case where the tenant under the head lease is a body in relation to which the owner of the land comprised in the lease is a person with significant control.”.

After section 80

Michael Russell

293*  After section 80, insert—

<Right to buy: 1991 Act tenancy held for 50 years or over
(1) The 2003 Act is amended as follows.
(2) After section 38, insert—

“38ZA  Right to buy: tenancy held for 50 years or over
(1) The tenant under a lease constituting a 1991 Act tenancy has a right to buy the land (or part of the land) to which the lease relates (including any interest or rights comprised in the land or part) from the owner of the land.
(2) Subsection (1) only applies if the conditions in subsections (3) and (5) are met.
(3) The condition is that the tenant seeking to exercise the right to buy under subsection (1) is a person mentioned in subsection (4).
Those persons are—

(a) the tenant who originally entered into the lease,

(b) a person who was assigned the tenancy by, or who succeeded to the tenancy on the death of, that tenant, or

(c) a person who was assigned the tenancy by, or who succeeded to the tenancy on the death of, a person mentioned in paragraph (b).

The condition is that the tenancy has been held for a continuous period of 50 years or more by persons mentioned in subsection (4).

38ZB Procedure for buying

(1) At least 28 days before making an offer to buy in exercise of the tenant’s right to buy under section 38ZA, the tenant must give notice under this subsection to the owner that the tenant intends to exercise that right to buy.

(2) The tenant is to make an offer to the owner at a price—

(a) agreed between the tenant and the owner, or

(b) where there is no such agreement—

(i) payable by the tenant in accordance with section 34(8), or

(ii) if the price is determined in an appeal under section 37, as is so determined,

and must specify the date of entry and of payment of the price in accordance with subsection (3).

(3) The date of entry and of payment of the price are to be—

(a) a date no later than 6 months from the date on which the tenant gave notice under subsection (1) of the tenant’s intention to buy,

(b) where the price payable by the tenant is the subject of an appeal under section 37 which has not, within the period of 4 months after the date on which the tenant gave such notice, been—

(i) determined, or

(ii) abandoned following agreement between the tenant and the owner,

a date not later than 2 months after the appeal is so determined or, as the case may be, abandoned, or

(c) such later date as may be agreed between the tenant and the owner.

(4) The offer may include such other conditions as are necessary or expedient to secure the efficient progress and completion of the transfer.

(5) If the tenant has not, within the period fixed by or agreed under subsection (3), done any of the things mentioned in subsection (6), the owner may apply to the Land Court for an order under subsection (7).

(6) The things are—

(a) concluding missives with the owner for the sale of the land to the tenant,

or
(b) if the tenant has not so concluded missives, taking all steps which the
tenant could reasonably have taken in the time available towards so
concluding missives.

(7) An order under this subsection may—

(a) direct the tenant—

(i) to conclude missives with the seller within such period, and
(ii) to take such remedial action for the purpose of so concluding
missives, and

(b) direct the tenant and owner to incorporate into the missives any term or
condition in respect of the sale of the land,
as the order may specify.

(8) If—

(a) the tenant fails to comply with an order under subsection (7), or

(b) where the owner has not applied for an order under that subsection, the
tenant has not (having regard to the period fixed by or agreed under
subsection (3)) within a reasonable period from the acquiring by the
tenant of the right to buy otherwise concluded missives with the seller
for the sale of the land to the tenant,

subsection (9) applies.

(9) Where this subsection applies—

(a) the notice given under subsection (1) ceases to have effect, and

(b) no further notice under subsection (1) may be given by the te-

nant (or a person who is assigned the tenancy by, or who succeeded to the tenancy
on the death of, the tenant) for a period of 12 months from the date on
which the order under subsection (7) was made.

(10) While a notice under subsection (1) has effect, the owner is prohibited from
selling the land to any person other than the tenant.

**38ZC Application of sections 33 to 37 for purposes of sections 38ZA and 38ZB**

(1) Sections 33 to 37 apply for the purposes of sections 38ZA and 38ZB as they
apply for the purposes of sections 28, 29 and 32 but—

(a) with references to the seller being read as references to the owner, and

(b) with the other modifications set out in subsections (2) to (6).

(2) In section 33—

(a) in subsection (1), the words “, except where subsection (2) applies,”,

(b) subsections (2) and (3),

(c) in subsection (4), the words “or (3)”,

are omitted.

(3) In section 34—

(a) in subsection (1), the reference to notice under section 26 is to be read as
a reference to notice under section 38ZB(1),
(b) subsection (5) is omitted,
(c) in subsection (7), the words “and (5)” are omitted,
(d) in subsection (8), the reference to section 32(2)(b)(i) is to be read as a reference to section 38ZB(2)(b)(i).

(4) In section 35(1), the reference to section 28 is to be read as a reference to section 38ZA.

(5) In section 36—
(a) in subsection (2)(b), the words “and any apportionment of a reduction in the value of the estate” are omitted,
(b) in subsection (5), paragraph (b) and the word “or” immediately preceding that paragraph are omitted.

(6) In section 37(3)(b), the reference to section 32(2)(b)(i) is to be read as a reference to section 38ZB(2)(b)(i).”.

Claudia Beamish

293A* As an amendment to amendment 293, line 6, at beginning insert <Subject to subsection (6),>

Claudia Beamish

293B* As an amendment to amendment 293, line 19, at end insert—

<6) Notice under section 38ZB(1) may only be given within 5 years of the date on which section (Right to buy: 1991 Act tenancy held for 50 years or over) of the Land Reform (Scotland) Act 2016 first came into force.>

Section 81

Michael Russell

294 In section 81, page 66, line 34, after <time> insert <(including after a price is determined by virtue of section 38F(2) but before an offer is made on the basis of that price under section 38F(1))>

Claudia Beamish

295 In section 81, page 67, line 29, at end insert—

<6 In any case where the price is determined under subsection (2)(b), the tenant has the right to withdraw the offer within the period of 28 days following the date on which—
(a) the tenant receives the notice sent under section 36(4), or, as the case may be,
(b) the appeal under section 37 is determined.>

Richard Lochhead

166 In section 81, page 70, line 23, at beginning insert <Except where subsection (3) applies,>
In section 81, page 72, line 37, at end insert—

<38MA Restriction on notice to quit etc. where sale to third party

(1) This section applies where a third party buys the land comprised in the lease of a 1991 Act tenancy by virtue of an order for sale varied under section 38L.

(2) During the period of 10 years beginning with the date the third party acquired title to the land, sections 22 to 24, 26 and 43 of the 1991 Act have effect in relation to the tenancy subject to the following modifications.

(3) Section 22(2) has effect as if—
   (a) paragraphs (a) and (b) were omitted,
   (b) for paragraph (c) there were substituted—
      “(c) the Land Court, on an application made—
      (i) by a landlord who bought the land constituting the tenancy by virtue of an order for sale varied under section 38L of the Agricultural Holdings (Scotland) Act 2003 Act,
      (ii) not more than 9 months before the giving of the notice to quit,
      granted a certificate under section 26(1) that the tenant was not fulfilling the tenant’s responsibilities to farm the holding in accordance with the rules of good husbandry,”, and
   (c) for “any of paragraphs (a) to (f)” there were substituted “any of paragraphs (c) to (f)”.

(4) Section 24(1)(e) has effect as if, for “not falling within section 22(2)(b) of this Act”, there were substituted “and, in a case where the use requires permission under the enactments relating to town and country planning, such permission has been obtained”.

(5) Section 26 has effect as if, after subsection (1), there were inserted—
   “(1A)The Land Court must not grant a certificate under subsection (1) where subsection (1B) applies.
   (1B) This subsection applies where—
       (a) the application under subsection (1) is made by a landlord who bought the land constituting the tenancy by virtue of an order for sale varied under section 38L of the Agricultural Holdings (Scotland) Act 2003 Act (the “2003 Act”), and
       (b) the tenant’s failure to farm in accordance with the rules of good husbandry is attributable to a material breach of the former landlord’s obligations in relation to the tenant on the basis of which the Land Court made the order under section 84(1)(b) of the 2003 Act referred to in section 38A(1)(a) of that Act.”.

(6) Section 43 has effect as if, for subsection (2), there were substituted—
   “(2) Compensation is not payable under this section where—
(a) the notice to quit relates to land being permanent pasture which the landlord has been in the habit of letting annually for seasonal grazing or of keeping in the landlord’s own occupation and which has been let to the tenant for a definite and limited period for cultivation as arable land on condition that the tenant must, along with the last or waygoing crop, sow permanent grass seeds, or

(b) the application of section 22(1) to the notice to quit is excluded by any of paragraphs (c) to (f) of subsection (2) of that section.”.

Michael Russell
167 In section 81, page 73, line 22, at end insert—

\( <( \text{the exclusion, for the purposes of subsection (2), of so much of the price at which the land is subsequently sold as is attributable to an increase in the value of the land resulting from such causes as may be specified in the regulations (which may include improvements of the kind mentioned in schedule 5 of the 1991 Act).}> \)

Claudia Beamish
167A As an amendment to amendment 167, line 5, leave out <may> and insert <must>

Section 82

Richard Lochhead
168 In section 82, page 75, leave out lines 11 and 12

Richard Lochhead
169 In section 82, page 75, leave out line 18

Richard Lochhead
170 In section 82, page 76, line 23, leave out <end of the period of 14 days beginning with> and insert <day after>

Richard Lochhead
171 In section 82, page 76, line 24, leave out <such a referral is made> and insert <a referral is made to the Land Court under paragraph 6(2)>

Claudia Beamish
274 In section 82, page 76, line 26, at end insert—

\(<\text{Power of Tenant Farming Commissioner to make declaration and order}\>

(1) This paragraph applies where the landlord or the tenant of the holding makes an application to the Tenant Farming Commissioner under section 27 of the 2016 Act alleging that the way in which the rent review was carried out breached a relevant code of practice.
(2) If the Tenant Farming Commissioner’s finding, following an inquiry into the alleged breach, is that the relevant code was breached (whether in the manner alleged or otherwise), the Commissioner may—
   (a) declare the rent review null and void,
   (b) make an order prohibiting the landlord or the tenant (as the case may be) from initiating a further rent review under paragraph 1 during such period (not exceeding one year, beginning with the date of the order) as the Commissioner considers appropriate.

(3) The landlord or the tenant may appeal to the Land Court against—
   (a) a declaration under sub-paragraph (2)(a) or an order under sub-paragraph (2)(b), or both, or
   (b) a finding by the Commissioner that the relevant code was not breached.

(4) An appeal under sub-paragraph (3) must be made on the ground that the declaration, order or finding—
   (a) was based on an error of fact,
   (b) was wrong in law, or
   (c) was unfair or unreasonable for any reason.

(5) An appeal under subsection (3) must be made within the period of 28 days beginning with the day on which the declaration, order or finding was made.

(6) On an appeal under subsection (3), the Land Court may—
   (a) overturn or confirm the declaration, order or finding,
   (b) vary the period specified in the order,
   (c) make any declaration or order that the Commissioner could have made under sub-paragraph (2).

(7) Nothing in this paragraph prevents the landlord or tenant making a referral under paragraph 6.

(8) In this paragraph—
   “the 2016 Act” means the Land Reform (Scotland) Act 2016, and
   a “relevant code of practice” is a code of practice making provision about negotiating and conducting rent reviews published under section 25 of the 2016 Act.

Claudia Beamish
135 In section 82, page 76, line 34, at end insert <and may, in so doing, invite the Court to take into account any alleged non-compliance with a relevant code of practice (as defined in paragraph 7).>

Richard Lochhead
172 In section 82, page 76, line 35, leave out <the end of the period of 14 days beginning with>
In section 82, page 77, line 5, leave out <effective> and insert <rent agreement>.

Claudia Beamish

In section 82, page 77, line 19, at end insert—

In reaching a determination under this paragraph, the Land Court may take into account any non-compliance with a relevant code of practice.

In deciding whether a relevant code of practice has or has not been complied with, the Land Court may seek an opinion from the Tenant Farming Commissioner.

Where the Land Court decides that a relevant code of practice has not been complied with, it may make an order prohibiting the landlord or the tenant (as the case may be) from initiating a rent review under paragraph 1 during such period (not exceeding one year, beginning with the date of the order) as the Court considers appropriate.

In this paragraph, a “relevant code of practice” is a code of practice making provision about negotiating and conducting rent reviews published under section 25 of the Land Reform (Scotland) Act 2016.

Richard Lochhead

In section 82, page 77, line 19, at end insert—

New rent to take effect from rent agreement date

7A The rent agreed between the landlord and the tenant or, as the case may be, determined in accordance with paragraph 7 is to take effect from the rent agreement date.

Richard Lochhead

In section 82, page 77, line 19, at end insert—

7A New rent to take effect from rent agreement date

Richard Lochhead

In section 82, page 77, line 29, leave out <negative> and insert <affirmative>

Richard Lochhead

In section 82, page 78, line 28, leave out <negative> and insert <affirmative>

Richard Lochhead

In section 82, page 79, line 4, leave out from <30%> to the end of line 5 and insert —

(a) 30% or more higher, or

(b) 30% or more lower,

than the rent currently payable in respect of the holding (the “original rent”).

Richard Lochhead

In section 82, page 79, line 6, after <tenant> insert <or the landlord>
Richard Lochhead
179 In section 82, page 79, line 7, after <tenant> insert < or, as the case may be, the landlord>

Richard Lochhead
180 In section 82, page 79, line 8, leave out <effective> and insert <rent agreement>

Richard Lochhead
181 In section 82, page 79, leave out lines 11 to 13 and insert—
   (4) The rent payable in the first year after the rent agreement date is—
       (a) where sub-paragraph (1)(a) applies, the sum of the original rent and one third of the difference between the new rent and the original rent, or
       (b) where sub-paragraph (1)(b) applies, the original rent less one third of the difference between the original rent and the new rent.>

Richard Lochhead
182 In section 82, page 79, leave out lines 14 to 16 and insert—
   (5) The rent payable in the second year after the rent agreement date is—
       (a) where sub-paragraph (1)(a) applies, the sum of the original rent and two thirds of the difference between the new rent and the original rent, or
       (b) where sub-paragraph (1)(b) applies, the original rent less two thirds of the difference between the original rent and the new rent.>

Richard Lochhead
183 In section 82, page 79, line 17, leave out <effective> and insert <rent agreement>

Richard Lochhead
184 In section 82, page 79, leave out line 21

Alex Fergusson
296 Leave out section 82

Section 83

Michael Russell
297 In section 83, page 79, line 27, at end insert—
   ( ) Before section 9 (review of rent under limited duration tenancies) insert—
   “81 Determination of rent on limited duration tenancy and modern limited duration tenancy being entered into
   (1) The rent to be payable on a limited duration tenancy or a modern limited duration tenancy being entered into is to be the fair rent for the tenancy taking account of all the circumstances and having regard, in particular, to—
(a) the productive capacity of the land comprised in the lease,
(b) the open market rent of any surplus residential accommodation on the land provided by the landlord, and
(c) the open market rent of—
   (i) any fixed equipment on the land provided by the landlord, or
   (ii) any land comprised in the lease, used for a purpose that is not an agricultural purpose.

(2) In this section, section 9B(1)(c) and section 9C(4)(a)(ii), the “open market rent” means the rent at which—
   (a) any surplus residential accommodation, or
   (b) any fixed equipment or land used for a purpose that is not an agricultural purpose,
   might reasonably be expected to be let on the open market by a willing landlord to a willing tenant.

(3) The Scottish Ministers may by regulations make provision for the purposes of this section and section 9B about the productive capacity of land comprised in leases of limited duration tenancies or modern limited duration tenancies, including how the productive capacity of such land is to be determined.”.

Richard Lochhead
185 In section 83, page 79, line 29, leave out <“or a modern limited duration tenancy”> and insert <“, a modern limited duration tenancy or a repairing tenancy”>.

Richard Lochhead
186 In section 83, page 79, line 30, at end insert—
   <( ) after subsection (1) insert—
   “(1A) The rent due as payable under a lease constituting a repairing tenancy is to be reviewed and determined in accordance with this section.”,>.

Alex Fergusson
298* In section 83, page 79, line 31, leave out from beginning to end of line 32 on page 81 and insert—
   <(d) the title of the section becomes “Review of rent under limited duration tenancies, modern limited duration tenancies and repairing tenancies”>.>.

Richard Lochhead
187 In section 83, page 79, line 38, leave out <and modern limited duration tenancies”> and insert <, modern limited duration tenancies and repairing tenancies”>.

Michael Russell
299 In section 83, page 80, leave out lines 27 to 37.
Richard Lochhead

188 In section 83, page 80, line 36, leave out <or modern limited duration tenancies> and insert <, modern limited duration tenancies and repairing tenancies>

Richard Lochhead

189 In section 83, page 81, line 1, leave out <and modern limited duration tenancies> and insert <, modern limited duration tenancies and repairing tenancies>

Richard Lochhead

190 In section 83, page 81, line 4, leave out <or a modern limited duration tenancy> and insert <, a modern limited duration tenancy or a repairing tenancy>

Richard Lochhead

191 In section 83, page 81, line 30, leave out <or modern limited duration tenancies> and insert <, modern limited duration tenancies or repairing tenancies>

After section 83

Claudia Beamish

275 After section 83, insert—

CHAPTER

NON-PAYMENT OF RENT

Circumstances in which non-payment of rent constitutes grounds for irritancy or removal of tenant

(1) Section 20 (removal of tenant for non-payment of rent) of the 1991 Act is amended as follows—

(a) in subsection (1), after “entitled”, insert “, subject to subsection (1A),”,

(b) after that subsection insert—

“(1A) Subsection (1) only applies if—

(a) the tenant was given, before they were due to be paid, invoices for all the amounts of rent in question, and

(b) the tenant was given a reasonable opportunity to pay each such amount after the date on which it was due.”.

(2) In section 18 (irritancy of lease and good husbandry) of the 2003 Act, after subsection (2) insert—

“(2A) Any term of such a lease or of an agreement in connection with the lease that provides for the lease to be irritated solely on the grounds set out in subsection (2B) is, unless subsection (2C) applies, of no effect.

(2B) The grounds are that the tenant has not made, or has not made in full, a payment of the rent due under the lease.

(2C) This subsection applies if—
(a) the tenant was given an invoice for the payment before the date on which payment was due, and
(b) the tenant was given a reasonable opportunity to make the payment after the date on which it was due.”>

Section 84

Claudia Beamish
148 In section 84, page 82, line 21, at end insert—

<( ) a child of an uncle or aunt of the tenant (the child being a first cousin of the tenant),”>

Richard Lochhead
192 In section 84, page 83, line 6, at end insert—

<( ) a spouse or civil partner of such a child,>

Claudia Beamish
149 In section 84, page 83, line 15, at end insert—

<( ) an uncle or aunt of the tenant (being a brother or sister of either parent of the tenant),>

Claudia Beamish
150 In section 84, page 83, line 15, at end insert—

<( ) a child of an uncle or aunt of the tenant (the child being a first cousin of the tenant),”>

Section 85

Richard Lochhead
193 In section 85, page 84, line 5, at end insert—

<( ) a spouse or civil partner of such a child,>

Section 86

Richard Lochhead
194 In section 86, page 85, line 24, at end insert—

<( ) a spouse or civil partner of such a child,>
After section 86

Richard Lochhead

195 After section 86, insert—

<Assignation of repairing tenancies

(1) The 2003 Act is amended as follows.

(2) After section 7C (as inserted by section (Repairing tenancies: subletting)) insert—

“7D Assignation of repairing tenancies

(1) During the repairing period, a lease constituting a repairing tenancy may be assigned by the tenant if, following notice under subsection (2), the landlord consents to a proposed assignation.

(2) The tenant must give the landlord a notice in writing of any intention of the tenant to assign the lease during the repairing period; and the notice must include the particulars of the proposed assignee, the terms upon which the assignation is to be made and the date on which it is to take effect.

(3) The landlord may withhold consent to the proposed assignation during the repairing period if there are reasonable grounds for doing so; and, in particular, the landlord may withhold consent if not satisfied that the proposed assignee—

(a) would have the ability to pay—

(i) the rent due under the lease, or
(ii) for investment in the land in order to bring it into a state capable of being farmed, after the expiry of the repairing period, in accordance with the rules of good husbandry, or

(b) has the skills or experience that would be required properly to manage and improve the land in order to bring it into a state capable of being farmed, after the expiry of the repairing period, in accordance with the rules of good husbandry.

(4) The ground of objection in subsection (3)(b) does not apply where the person—

(a) is engaged in or will begin, before the expiry of the period of 6 months beginning with the date of the notice under subsection (2), a course of relevant training in agriculture which the person is expected to complete satisfactorily within 4 years from that date, and

(b) has made arrangements to secure that the land is farmed with reasonable efficiency until the person completes that course.

(5) Any such withholding of consent during the repairing period (and the grounds for withholding it) is to be intimated in writing to the tenant within 30 days of the giving of notice under subsection (2); and, if no such intimation is made, the landlord is deemed to have consented to the proposed assignation.

(6) For the purposes of subsection (3), what is good husbandry is to be construed by reference to schedule 6 of the Agriculture (Scotland) Act 1948.

(7) After the expiry of the repairing period, section 7B applies to the assignation of a lease constituting a repairing tenancy as to the assignation of a lease constituting a modern limited duration tenancy.”>
Section 87

Claudia Beamish

151 In section 87, page 86, line 22, at end insert—

<(  ) a spouse or civil partner of an uncle or aunt of the tenant,  
  (  ) a child of an uncle or aunt of the tenant (the child being a first cousin of the tenant),  
  (  ) a spouse or civil partner of such a child.”.>

Section 88

Richard Lochhead

196 In section 88, page 86, line 27, leave out <or a modern limited duration tenancy‖> and insert <, a modern limited duration tenancy or a repairing tenancy‖>

Richard Lochhead

197 In section 88, page 86, line 29, leave out <or a modern limited duration tenancy‖> and insert <, a modern limited duration tenancy or a repairing tenancy‖>

Richard Lochhead

198 In section 88, page 86, line 32, leave out <or a modern limited duration tenancy‖> and insert <, a modern limited duration tenancy or a repairing tenancy‖>

Richard Lochhead

199 In section 88, page 86, line 35, leave out <and “modern limited duration> and insert <, “modern limited duration tenancy” and “repairing”>

Richard Lochhead

200 In section 88, page 87, line 2, leave out <or a modern limited duration tenancy‖> and insert <, a modern limited duration tenancy or a repairing tenancy‖>

After section 89

Richard Lochhead

201 After section 89, insert—

<CHAPTER
RELINQUISHING AND ASSIGNATION OF 1991 ACT TENANCIES

Tenant’s offer to relinquish 1991 Act tenancy

(1) The 1991 Act is amended as follows.

(2) After section 32 insert—
PART 3A
RELINQUISHING AND ASSIGNATION OF HOLDINGS

CHAPTER 1
TENANT’S OFFER TO RELINQUISH HOLDING

Application of Part and key terms

32A Application of Part

(1) This Part applies where the tenant of an agricultural holding to which subsection (2) applies wishes to quit the tenancy before the date on which the tenancy could otherwise be brought to an end by notice of intention to quit or, failing which, assign the lease to an individual who is a new entrant to, or who is progressing in, farming.

(2) This subsection applies to an agricultural holding in respect of which—

(a) the lease was entered into before 27 November 2003, or

(b) the lease—

(i) was entered into in writing on or after that date but prior to the commencement of the tenancy, and

(ii) expressly states that this Act is to apply to the tenancy.

32B New entrants to farming and persons progressing in farming

(1) The Scottish Ministers may by regulations make further provision about the individuals who are new entrants to, or who are progressing in, farming for the purposes of this Part.

(2) Regulations under subsection (1) are subject to the negative procedure.

Notice of intention to relinquish

32C Tenant’s offer to relinquish tenancy

(1) The tenant may serve notice in writing on the landlord of the holding indicating that the tenant will quit the tenancy provided the landlord pays to the tenant an amount, calculated in accordance with section 32L, as compensation for so doing.

(2) A notice served under subsection (1) is a “notice of intention to relinquish”.

(3) The tenant must, at the same time as serving a notice of intention to relinquish, send a copy of the notice to the Tenant Farming Commissioner.

32D Form and content of notice of intention to relinquish

(1) The Scottish Ministers may by regulations prescribe the form and content of notices of intention to relinquish.

(2) Regulations under subsection (1) may, in particular, include provision for—

(a) such notices to be dated,

(b) such notices to state—
(i) the names and designations of the landlord and the tenant of the agricultural holding,
(ii) the name (if any) and the address of the holding or such other description of the holding as will identify it,
(iii) the rent currently payable in respect of the holding,
(iv) the date on which the rent for the holding was last varied or, as the case may be, continued unchanged (whether by agreement or by determination of the Land Court),
(v) the improvements (if any) carried out to the holding by the tenant,
(c) the information that must or may accompany such notices (which may include maps or plans of the holding).

(3) Regulations under subsection (1) are subject to the negative procedure.

32E Restrictions on serving notice of intention to relinquish

(1) A tenant may not serve a notice of intention to relinquish if, at the date of service, any of subsections (2) to (7) apply.

(2) This subsection applies where the tenant has served notice of intention to quit.

(3) This subsection applies where the tenant has failed to comply with a written demand, served on the tenant by the landlord, requiring the tenant—
(a) to pay rent due in respect of the holding within 2 months from the date of service of the demand, or
(b) to remedy a relevant breach within a reasonable time.

(4) In subsection (3)(b), a “relevant breach” is a breach by the tenant of a condition of the tenancy which—
(a) is capable of being remedied, and
(b) is not inconsistent with the fulfilment of the tenant’s responsibilities to farm in accordance with the rules of good husbandry.

(5) This subsection applies where the landlord has served notice to quit to which section 22(2) applies.

(6) This subsection applies where the landlord has served notice to quit to which section 22(2) does not apply and—
(a) the period mentioned in section 23(1) within which the landlord may apply to the Land Court for consent to the operation of the notice has not expired,
(b) the landlord has applied in accordance with that section and the Land Court has yet to reach a decision, or
(c) the Land Court has, on such an application, consented to the notice and—
(i) any period within which an appeal may be made against that decision has not expired,
(ii) such a period has expired without an appeal having been made, or
an appeal having been made, the decision of the Land Court to consent to the notice has been upheld.

(7) This subsection applies where, in relation to a notice to quit to which section 22(2) does not apply, the Land Court has, following an application under section 23(1), refused consent to its operation and—

(a) any period within which an appeal may be made against that decision has not expired,

(b) an appeal has been made but not determined, or

(c) the decision of the Land Court to refuse consent to the notice has been quashed.

32F **Restriction on notice to quit etc. where notice of intention to relinquish served**

(1) This section applies where a tenant serves a notice of intention to relinquish.

(2) During the relevant period, sections 22 to 24 and 43 have effect in relation to the tenancy subject to the following modifications.

(3) The relevant period is the period beginning with the date of service of the notice of intention to relinquish and ending with—

(a) the date the tenancy is terminated under section 32T(2), or

(b) the date on which the period of 1 year mentioned in section 32U(2) expires.

(4) Section 22(2) has effect as if—

(a) paragraphs (a) and (b) were omitted, and

(b) for “any of paragraphs (a) to (f)” there were substituted “any of paragraphs (c) to (f)”.

(5) Section 24(1) has effect as if paragraph (e) were omitted.

(6) Section 43 has effect as if, for subsection (2), there were substituted—

“(2) Compensation is not payable under this section where—

(a) the notice to quit relates to land being permanent pasture which the landlord has been in the habit of letting annually for seasonal grazing or of keeping in the landlord’s own occupation and which has been let to the tenant for a definite and limited period for cultivation as arable land on condition that the tenant must, along with the last or waygoing crop, sow permanent grass seeds, or

(b) the application of section 22(1) to the notice to quit is excluded by any of paragraphs (c) to (f) of subsection (2) of that section.”.

Appointment of valuer

32G **Appointment of valuer by Tenant Farming Commissioner**

(1) This section applies where the Tenant Farming Commissioner receives a copy of a notice of intention to relinquish.
The Commissioner must, before the expiry of the period mentioned in subsection (3), appoint a person, who meets the requirements mentioned in subsection (4), to—

(a) carry out the assessment mentioned in section 32I(1), and

(b) calculate the amount to be payable by the landlord to the tenant as compensation for the tenant quitting the tenancy were the landlord to accept the notice of intention to relinquish.

The period is—

(a) the period of 14 days beginning with the date on which the notice is served, or

(b) such other period specified by the Scottish Ministers by regulations.

The requirements referred to in subsection (2) are that the person appears to the Commissioner—

(a) to be independent of the landlord and the tenant, and

(b) to possess qualifications, knowledge and experience suitable for assessing the—

(i) value of agricultural land, both with vacant possession and where subject to agricultural holdings, and

(ii) compensation that may be payable to tenants and landlords of such holdings.

A person appointed under subsection (2) is the “valuer”.

The Tenant Farming Commissioner must give notice in writing to the tenant and the landlord of the name and address of the valuer appointed under subsection (2).

The tenant is responsible for meeting the expenses of the valuer in carrying out the valuer’s functions under this Part.

Regulations under subsection (3)(b) are subject to the negative procedure.

32H Objection to valuer appointed by Tenant Farming Commissioner

This section applies where the tenant or the landlord objects to the person appointed under section 32G(2) by the Tenant Farming Commissioner on one or more of the grounds mentioned in subsection (2).

Those grounds are that the person—

(a) is not independent of the landlord or, as the case may be, the tenant, or

(b) does not possess the qualifications, knowledge and experience mentioned in section 32G(4)(b).

The tenant or, as the case may be, the landlord may apply to the Land Court to appoint a person as the valuer in place of the person appointed by the Tenant Farming Commissioner.

An application under subsection (3)—

(a) must—
be made before the expiry of the period of 14 days beginning with the date of the notice under section 32G(6), and

(ii) state the ground of objection to the person appointed by the Tenant Farming Commissioner, and

(b) may propose a person to be appointed as the valuer in place of that person.

(5) The Land Court may, on an application under subsection (3)—

(a) reject the objection, or

(b) appoint a person as the valuer (whether a person proposed in the application or not).

(6) The decision of the Land Court on an application under subsection (3) is final.

Valuer’s assessment

32I Assessment of value of land etc.

(1) The valuer is to assess—

(a) the value of the land to which the holding relates—

(i) if sold with vacant possession,

(ii) if sold with the tenant still in occupation, and

(b) the amount of compensation—

(i) to which the tenant would be entitled, by virtue of Part 4, sections 40 and 41 or any agreement applying in place of that Part or those sections, in relation to any improvements to the holding,

(ii) to which the tenant would be entitled under section 44, and

(iii) to which the landlord would be entitled under sections 45 and 45A.

(2) In assessing the value of the land under subsection (1)(a)(i) or (ii), the valuer—

(a) is to have regard to the value that would be likely to be agreed between a reasonable seller and buyer of such land assuming the seller and buyer are, as respects the transaction, willing,

(b) is to take account—

(i) in so far as such a seller and buyer of the land would do so, of any factor attributable to the known existence of a person who would be willing to buy the land at a price higher than other persons because of a characteristic of the land which relates peculiarly to that person’s interest in buying it,

(ii) of when the landlord would in the normal course of events have been likely to recover vacant possession of the land from the tenant,

(iii) of the terms and conditions of any lease of sporting interests affecting the land,

(c) is to take no account of—
(i) the absence of the period of time during which the land would, on the open market, be likely to be advertised and exposed for sale,

(ii) any factor attributable to any use of the land which is or would be unlawful,

(iii) any increase in the value of the land resulting from improvements carried out at the expense of the tenant,

(iv) any increase in the value of the land resulting from the use of any of the land, or changes to the land, for a purpose that is not an agricultural purpose or the carrying out of conservation activities on the land,

(v) any reduction in the value of the land resulting from any dilapidation or deterioration of, or damage to, fixed equipment or land caused or permitted by the tenant,

(vi) any reduction in the value of the land resulting from the use of any of the land, or changes to the land, for a purpose that is not an agricultural purpose or the carrying out of conservation activities on the land.

(3) For the purposes of subsection (2)(c)(iii)—

(a) subject to paragraph (b), “improvements” is to be construed by reference to schedule 5, and

(b) the continuous adoption by the tenant of a standard of farming more beneficial to the land than the standard or system required by the lease or, in so far as no system of farming is so required, than the system of farming normally practised on comparable agricultural land in the district, is to be treated as an improvement executed at the tenant’s expense.

(4) The valuer is to calculate, in accordance with section 32L, the amount to be payable by the landlord to the tenant as compensation were the landlord to accept the notice of intention to relinquish.

32J Special provision where tenant is general partner in limited partnership

(1) This section applies where the tenant is the general partner of a limited partnership.

(2) The valuer, in assessing the value of the land under section 32I(1)(a)(i) or (ii), is to have regard to—

(a) the fact that the tenant is a general partner of a limited partnership, and

(b) any provision of the partnership agreement entitling the limited partner to dissolve the partnership.

32K Valuation: further provision

(1) The valuer is—

(a) to invite the landlord and the tenant to make written representations about the assessment under section 32I(1), and
(b) to have regard to any such representations.

(2) The valuer may—
   (a) enter onto land, and
   (b) make any reasonable request of the landlord and tenant,
for the purposes of any assessment under section 32I(1).

Calculation of compensation

32L Compensation payable by landlord to tenant

The amount to be payable by the landlord to the tenant as compensation were the landlord to accept the notice of intention to relinquish is to be calculated as follows:

Step 1
Deduct from the value of the land to which the holding relates if sold with vacant possession the value of the land if sold with the tenant still in occupation (both as assessed under section 32I(1) or, as the case may be, 32N(3)(a)).

Step 2
Divide the amount calculated under Step 1 by 2.

Step 3
Add to the amount of compensation to which the tenant would be entitled in relation to improvements the amount of compensation to which the tenant would be entitled under section 44 (as so assessed).

Step 4
Deduct from the amount calculated under Step 3 the amount of compensation to which the landlord would be entitled under sections 45 and 45A (as so assessed).

Step 5
Add to the amount calculated under Step 2 the amount calculated under Step 4.

Notice of assessment

32M Notice of assessment

(1) The valuer must, before the expiry of the period mentioned in subsection (2), serve a notice in writing, specifying the matters mentioned in subsection (3), on—
   (a) the tenant, and
   (b) the landlord.

(2) The period is the period of 8 weeks beginning with—
   (a) the date on which the period, within which an application under section 32H(3) may be made, expires, or
(b) where such an application is made, the date of the Land Court’s decision on it.

(3) The matters are—

(a) the value, assessed under section 32I(1)(a), of the land to which the holding relates—
   (i) if sold with vacant possession, and
   (ii) if sold with the tenant still in occupation,

(b) the amount, assessed under section 32I(1)(b), of compensation—
   (i) to which the tenant would be entitled in relation to any improvements to the holding,
   (ii) to which the tenant would be entitled under section 44,
   (iii) to which the landlord would be entitled under sections 45 and 45A, and

(c) the amount, calculated in accordance with section 32L, to be payable by the landlord to the tenant as compensation were the landlord to accept the tenant’s notice of intention to relinquish.

(4) The notice must also—

(a) be dated,

(b) state the date of valuation of each of the values and amounts mentioned in subsection (3), and

(c) set out how the valuer arrived at each of those values and amounts.

(5) The notice may also contain or be accompanied by any other information that the valuer considers appropriate.

(6) A notice served under subsection (1) is a “notice of assessment”.

(7) The valuer must, at the same time as serving a notice of assessment, send a copy of the notice to the Tenant Farming Commissioner.

**Appeal against valuer’s assessment**

**32N Appeal to Lands Tribunal against valuer’s assessment**

(1) The tenant or the landlord may appeal to the Lands Tribunal against a notice of assessment.

(2) An appeal under this section must—

(a) state the grounds on which it is being made, and

(b) be lodged before the expiry of the period of 21 days beginning with the date the notice of assessment was served.

(3) The Lands Tribunal may—

(a) reassess any value or amount of compensation mentioned in section 32I(1) (and any factor affecting the value or amount),
(b) determine the amount to be payable by the landlord to the tenant as compensation, calculated in accordance with section 32L, were the landlord to accept the tenant’s notice of intention to relinquish.

(4) The valuer whose assessment is appealed against may be a witness in the appeal proceedings.

(5) In the appeal proceedings, in addition to the landlord and the tenant, the following persons are entitled to be heard—
   (a) where the landlord is a creditor in a standard security, the owner of the land,
   (b) where the landlord is the owner of the land, any creditor in a standard security over the land or any part of it.

(6) The Lands Tribunal is to give written reasons for its decision on an appeal under this section.

(7) The decision of the Lands Tribunal in an appeal under this section is final.

32O  Referral of certain matters by Lands Tribunal to Land Court
Where, in an appeal before the Lands Tribunal under section 32N, an issue of law arises which may competently be determined by the Land Court by virtue of this Act or the 2003 Act, the Tribunal is to refer the issue to the Land Court for determination unless the Tribunal considers that it is not appropriate to do so.

Withdrawal of notice of intention to relinquish

32P  Withdrawal of notice of intention to relinquish
(1) The tenant may, before the expiry of the period mentioned in subsection (2), withdraw a notice of intention to relinquish by serving notice on the landlord.

(2) The period is—
   (a) the period of 35 days beginning with the day the notice of assessment is served, or
   (b) if an appeal is made to the Lands Tribunal under section 32N, the period of 14 days beginning with the date of the Tribunal’s decision.

(3) The tenant must, at the same time as serving notice under subsection (1), send a copy of the notice to—
   (a) the Tenant Farming Commissioner,
   (b) any valuer appointed under section 32G(2) or, as the case may be, 32H(5)(b).

(4) Where the tenant serves notice under subsection (1)—
   (a) if no person has been appointed as the valuer under section 32G(2), the Tenant Farming Commissioner need not so appoint a person,
   (b) if a valuer has been appointed under section 32G(2) or, as the case may be, 32H(5)(b), the valuer’s appointment comes to an end.
Landlord’s response to tenant’s offer to quit tenancy

32Q Landlord’s acceptance of notice of intention to relinquish

(1) The section applies where the landlord wishes to accept the tenant’s notice of intention to relinquish.

(2) The landlord must—

(a) serve notice on the tenant which complies with subsection (3), and

(b) pay the amount of compensation calculated under section 32L before the expiry of the period mentioned in subsection (5).

(3) A notice complies with this subsection if it—

(a) is served before the expiry of the period mentioned in subsection (4), and

(b) states that the landlord will, in exchange for the tenant quitting the tenancy, pay to the tenant—

(i) the amount of compensation assessed by the valuer and specified in the notice of assessment, or

(ii) where the Lands Tribunal has determined under section 32N(3)(b) that the compensation should be a different amount, that amount.

(4) The period referred to in subsection (3)(a) is the period of 28 days beginning with the date on which the period, within which the tenant may, under section 32P, withdraw the notice of intention to relinquish, expires.

(5) The period referred to in subsection (2)(b) is the period of 6 months beginning with the date on which the period, within which the tenant may, under section 32P, withdraw the notice of intention to relinquish, expires.

(6) A notice served under subsection (2)(a) is a “notice of acceptance”.

(7) The landlord must, at the same time as serving a notice of acceptance, send a copy of the notice to the Tenant Farming Commissioner.

(8) The Scottish Ministers may by regulations specify the form and content of notices of acceptance.

(9) Regulations under subsection (8) are subject to the negative procedure.

32R Notice of declinature

(1) The landlord may, at any time before the expiry of the period of 28 days mentioned in section 32Q(4), serve notice on the tenant stating that the landlord does not wish to accept the notice of intention to relinquish.

(2) A notice served under subsection (1) is a “notice of declinature”.

(3) The landlord must, at the same time as serving a notice of declinature, send a copy of the notice to—

(a) the Tenant Farming Commissioner,

(b) any valuer appointed under section 32G(2) or, as the case may be, 32H(5)(b).

(4) Where the landlord serves notice of declinature—

39
(a) if no person has been appointed as the valuer under section 32G(2), the Tenant Farming Commissioner need not so appoint a person,

(b) if a valuer has been appointed under section 32G(2) or, as the case may be, 32H(5)(b), the valuer’s appointment comes to an end.

32S Withdrawal of notice of acceptance

(1) A landlord may, at any time before the expiry of the period of 6 months mentioned in section 32Q(5), withdraw a notice of acceptance by serving notice in writing on the tenant.

(2) A notice served under subsection (1) is a “notice of withdrawal”.

(3) The landlord must, at the same time as serving notice of withdrawal, send a copy of the notice to the Tenant Farming Commissioner.

(4) The tenant is entitled to recover from the landlord any loss or expense incurred in reliance on the landlord’s notice of acceptance.

Payment of compensation ends tenancy

32T Consequences of landlord paying compensation to tenant

(1) This section applies where, on or before the expiry of the period mentioned in section 32Q(5), the landlord pays to the tenant the amount of compensation in accordance with section 32Q(2)(b).

(2) The tenancy comes to an end—

(a) on the expiry of that period, or

(b) on such earlier date as the tenant and landlord may agree.

(3) Where a tenancy is terminated under subsection (2), section 21 does not apply in respect of the tenancy.

(4) Any claim or entitlement to compensation or any other payment, other than to the compensation mentioned in section 32I(1)(b), is preserved despite the payment of compensation in accordance with section 32Q(2)(b).

Chapter 2

Assignation where landlord does not accept tenant’s offer

32U Assignation where landlord does not accept notice of intention to relinquish

(1) This section applies where the tenant serves notice of intention to relinquish and the landlord—

(a) serves notice of declinature,

(b) fails to serve notice of acceptance before the expiry of the period of 28 days mentioned in section 32Q(4), or

(c) serves notice of acceptance but—

(i) serves notice of withdrawal before the expiry of the period of 6 months mentioned in section 32Q(5), or
(ii) fails to pay the amount of compensation required before the expiry of that period in accordance with section 32Q(2)(b).

(2) The tenant may, before the expiry of the period of 1 year beginning with the date mentioned in subsection (3), assign the lease of the holding to an individual who is a new entrant to, or who is progressing in, farming.

(3) That date is—

(a) the date notice of declinature is served,

(b) where the landlord fails to serve notice of acceptance before the expiry of the period of 28 days mentioned in section 32Q(4), the date falling at the end of that period,

(c) the date notice of withdrawal is served, or

(d) where the landlord fails to pay the amount of compensation required before the expiry of the period of 6 months mentioned in section 32Q(5), the date falling at the end of that period.

32V Application of section 10A to assignation under this Part

Section 10A has effect in relation to an assignation by virtue of section 32U(2)—

(a) as if subsections (1), (1A) and (6) were omitted,

(b) as if, for subsections (3), (3A) and (3B) there were substituted—

“(3) The landlord may withhold consent to the proposed assignation if—

(a) the proposed assignee is not an individual who is a new entrant to farming or who is progressing in farming, or

(b) there are reasonable grounds for doing so.

(3A) In subsection (3)(b), reasonable grounds include, in particular, that the landlord is not satisfied that the proposed assignee—

(a) would have the ability to pay—

(i) the rent due under the lease, or

(ii) for adequate maintenance of the land, or

(b) has the skills or experience that would be required properly to manage and maintain the land in accordance with the rules of good husbandry.

(3B) The ground of objection in subsection (3A)(b) does not apply where the proposed assignee is a new entrant to farming and—

(a) is engaged in or will begin, before the expiry of the period of 6 months beginning with the date of the notice under subsection (2), a course of relevant training in agriculture which the person is expected to complete satisfactorily within 4 years from that date, and

(b) has made arrangements to secure that the holding is farmed with reasonable efficiency until the person completes that course.”.
CHAPTER 3
INTERPRETATION

32W Interpretation of Part
In this Part—

“new entrant to farming” and “person progressing in farming” are to be construed in accordance with section 32B,

“notice of acceptance” has the meaning given by section 32Q(6),

“notice of assessment” has the meaning given by section 32M(6),

“notice of declinature” has the meaning given by section 32R(2),

“notice of intention to relinquish” has the meaning given by section 32C(2),

“notice of withdrawal” has the meaning given by section 32S(2),

“Tenant Farming Commissioner” means the person appointed under section 8(1) of the Land Reform (Scotland) Act 2016,

“valuer” means the person appointed under section 32G(2) or, as the case may be, 32H(5)(b).”.

Richard Lochhead
202 After section 89, insert—

<Tenant’s offer to relinquish 1991 Act tenancy: consequential modifications
(1) In section 21(1) of the 1991 Act, after “section 20” insert “and Part 3A”.
(2) The 2003 Act is amended as follows.
(3) In section 55 (right to compensation for yielding vacant possession)—
   (a) subsections (4) and (5) are repealed,
   (b) in subsection (8), “or (5)” is repealed.
(4) After section 74 insert—

“74A Application of Part 3A of the 1991 Act
(1) The Scottish Ministers may by regulations—
   (a) provide that Part 3A of the 1991 Act, in its application in relation to—
      (i) partnerships who are tenants, and
      (ii) such partners of partnerships as may exercise or enforce any right of tenants conferred by that Part,
   has effect with or subject to such modifications as the regulations may specify, and
   (b) make such further provision in relation to such partnerships and partners as they consider appropriate for the purposes of that Part.
(2) The Scottish Ministers may by regulations provide that Part 3A of the 1991 Act does not apply in relation to tenants who are general partners of limited partnerships and, where they do so, section 32J of that Act does not apply.”.
Section 90

Richard Lochhead

203 In section 90, page 90, line 22, leave out <Part> and insert <Chapter>

Richard Lochhead

204 In section 90, page 90, line 35, leave out <2> and insert <3>

Angus MacDonald

276 In section 90, page 91, leave out lines 1 to 3 and insert—

\(<(\quad)\quad\) in relation to a Part 1 improvement—

\(\text{(i)}\quad\) the tenant carried out the improvement without the landlord’s consent, or>

Angus MacDonald

277 In section 90, page 91, line 4, at beginning insert <the landlord gave consent, whether orally or in writing, and>

Angus MacDonald

278 In section 90, page 91, line 4, after first <manner> insert <substantially>

Angus MacDonald

279 In section 90, page 91, line 6, at beginning insert <in relation to a Part 2 improvement,>

Angus MacDonald

280 In section 90, page 91, line 8, after first <manner> insert <substantially>

Richard Lochhead

205 In section 90, page 91, line 11, after second <Act> insert <(as read with section 39(1) of the 1991 Act)>

Richard Lochhead

208 In section 90, page 91, line 14, at end insert <(as read with section 39(2) of the 1991 Act).>

Angus MacDonald

281 In section 90, page 91, line 14, at end insert—

\(<(\quad)\quad\) in relation to a Part 3 improvement, the tenant had given notice under section 34(8) of the 1991 Act and the tenant carried out the improvement in a manner substantially different to the manner proposed in the notice.>
Richard Lochhead

206 In section 90, page 91, line 16, leave out <custom or agreement> and insert <custom, agreement or otherwise>

Richard Lochhead

207 In section 90, page 91, leave out lines 38 and 39

Section 92

Richard Lochhead

209 In section 92, page 92, line 23, at end insert—

<( ) Section 84(4) of the 1991 Act applies to the giving of an amnesty notice as it applies to the giving of a notice under that Act.>

Section 94

Claudia Beamish

137 In section 94, page 93, line 7, leave out from <before> to end of line 11 and insert—

<(a) invite the landlord, in writing, to settle the dispute by arbitration in accordance with subsection (1A), or

(b) apply to the Land Court for approval of the relevant improvement for the purposes of section 34 of the 1991 Act or, as the case may be, section 45 of the 2003 Act.

(1A) A dispute is settled in accordance with this subsection if—

(a) the landlord accepts, in writing, the tenant’s invitation,

(b) the landlord and the tenant agree, in writing, on a third party who is to act as arbiter in the dispute and to accept the arbiter’s findings as binding on both of them,

(c) the third party agrees, in writing, to act as arbiter,

(d) the arbiter is provided with copies of the amnesty notice, the notice of objection and any other information the arbiter reasonably requires, and

(e) the arbiter is able to reach a decision on the matters in dispute.

(1B) Where the tenant issues an invitation under paragraph (a) of subsection (1), the tenant’s right to apply to the Land Court under subsection (1)(b) is suspended until—

(a) the invitation is refused,

(b) the end of the period of 1 month beginning with the day on which the invitation is issued if, by that date, no-one has agreed to act as arbiter, or

(c) the dispute is settled in accordance with subsection (1A) or the arbiter concludes that it cannot be so settled.

(1C) If the dispute is settled in accordance with subsection (1A), the tenant’s right to apply to the Land Court under subsection (1)(b) is extinguished.

(1D) An application to the Land Court under subsection (1)(b) may be made at any time before the end of the period of 2 months beginning with—
(a) the day on which the tenant received the notice of objection, or
(b) where the right to make the application was suspended under subsection (1B), the
day on which that suspension ended.

(2) The Land Court may, where an application is made to it under subsection (1)(b),>

Claudia Beamish

138 In section 94, page 93, line 7, leave out from <before> to end of line 11 and insert—

<(a) invite the landlord, in writing, to settle the dispute by arbitration in accordance
with subsection (1A), or
(b) apply to the Land Court for approval of the relevant improvement for the purposes
of section 34 of the 1991 Act or, as the case may be, section 45 of the 2003 Act.

(1A) A dispute is settled in accordance with this subsection if—

(a) the landlord accepts, in writing, the tenant’s invitation,
(b) a person approved as an arbiter for the purpose of this section by the Tenant
Farming Commissioner is appointed to act as arbiter,
(c) the arbiter is provided with copies of the amnesty notice, the notice of objection
and any other information the arbiter reasonably requires, and
(d) the arbiter is able to reach a decision on the matters in dispute.

(1B) Where the tenant issues an invitation under paragraph (a) of subsection (1), the tenant’s
right to apply to the Land Court under subsection (1)(b) is suspended until—

(a) the invitation is refused,
(b) the end of the period of 1 month beginning with the day on which the invitation is
issued if, by that date, no-one has been appointed as arbiter, or
(c) the dispute is settled in accordance with subsection (1A) or the arbiter concludes
that it cannot be so settled.

(1C) If the dispute is settled in accordance with subsection (1A), the tenant’s right to apply to
the Land Court under subsection (1)(b) is extinguished.

(1D) An application to the Land Court under subsection (1)(b) may be made at any time
before the end of the period of 2 months beginning with—

(a) the day on which the tenant received the notice of objection, or
(b) where the right to make the application was suspended under subsection (1B), the
day on which that suspension ended.

(2) The Land Court may, where an application is made to it under subsection (1)(b),>
After section 95

Claudia Beamish

282 After section 95, insert—

<TWaygo procedure>

Two-stage procedure for assessing compensation for tenants’ improvements

(1) Section 21 of the 1991 Act (notice to quit and notice of intention to quit) is amended as follows—

   (a) in subsection (3), add at the end—

   “(e) if it is a notice to quit—

       (i) it is given at least 90 days after the intimation mentioned in
           subsection (3A) is given, and

       (f) it specifies, in relation to any improvements made (or expected to
           be made) by the tenant during the tenancy for which compensation
           is payable under Part 4 of this Act, an amount of compensation
           that has been agreed between the landlord and the tenant or
           determined by arbitration.”,

   (b) after that subsection, insert—

   “(3A) A notice to quit under subsection (3) is of no effect unless the landlord has
       given to the tenant, not less than 2 years nor more than 3 years before the
       expiry of the term of the tenancy, written intimation of—

       (a) the landlord’s intention to terminate the tenancy, and

       (b) in relation to any improvements made (or expected to be made) by the
           tenant during the tenancy for which compensation is (or would be)
           payable under Part 4 of this Act, either or both of—

           (i) a proposed amount of compensation,

           (ii) the landlord’s intention to refer the amount of that compensation to
                arbitration (if it cannot be agreed with the tenant).”.

(2) The 2003 Act is amended as follows.

(3) In section 6 (assignation, subletting and termination of short limited duration tenancies),
    add at the end of subsection (4) “if the agreement is in writing and makes provision as to
    compensation payable by the landlord or the tenant to the other”.

(4) In section 8 (continuation and termination of limited duration tenancies)—

    (a) in subsection (4), add at the end—

    “(c) specify, in relation to any improvements made (or expected to be made)
        by the tenant during the tenancy for which compensation is (or would be)
        payable under Part 4 of this Act, an amount of compensation that has
        been agreed between the landlord and the tenant or determined by
        arbitration.”,

    (b) after subsection (5) insert—
“(5A) An intimation under subsection (5) must include, in relation to any improvements made (or expected to be made) by the tenant during the tenancy for which compensation is (or would be) payable under Part 4 of this Act, either or both of—

(a) a proposed amount of compensation,

(b) the landlord’s intention to refer the amount of that compensation to arbitration (if it cannot be agreed with the tenant).”.

Section 96

Richard Lochhead

210 In section 96, page 97, line 11, at end insert <or

( ) subject to subsection (1A), a repairing tenancy within the meaning of section 5C,>.

Richard Lochhead

211 In section 96, page 97, line 12, at end insert—

<(1A) Subsection (1) does not apply in respect of the landlord of a repairing tenancy in relation to which the repairing period has not expired.>

Richard Lochhead

212 In section 96, page 97, line 16, after <49(2)> insert <(as read with section 39(3) of the 1991 Act)>.

Claudia Beamish

152 After section 97, insert—

<CHAPTER
HOUSING STANDARDS

Application of repairing standard to agricultural tenancies etc.

(1) Section 12 of the Housing (Scotland) Act 2006 is amended as follows.

(2) The title of the section becomes “Tenancies etc. to which repairing standard duty applies”.

(3) In subsection (1), paragraph (c) is repealed.

(4) After that subsection insert—

“(1A) This Chapter applies to an occupancy arrangement under which a tenant whose lease constitutes a relevant tenancy is entitled, otherwise than under the lease, to occupy a house situated on land comprised in that lease.

(1B) For the purposes of subsection (1A), “a relevant tenancy” is—

(a) a 1991 Act tenancy (within the meaning of the Agricultural Holdings (Scotland) Act 2003,

(b) a short limited duration tenancy (within the meaning of that Act),}
(c) a limited duration tenancy (within the meaning of that Act), or
(d) a modern limited duration tenancy (within the meaning of that Act).”.

After section 97

Graeme Dey

283 After section 97, insert—

<CHAPTER
DIVERSIFICATION

Use of land for non-agricultural purposes: objection to notice of diversification

(1) The 2003 Act is amended as follows.

(2) In section 40—

(a) in subsection (1), for “section 41” substitute “in sections 40A and 41”,

(b) after subsection (5) insert—

“(5A) Where the landlord objects to the notice of diversification, the land may be used for the purpose specified under paragraph (a), and as specified under paragraphs (b) and (c), of subsection (2)—

(a) only if—

(i) the landlord withdraws the objection,

(ii) the landlord does not apply under section 40A for a determination in relation to the objection, or

(iii) such an application having been made, the Land Court determines under section 41 that the objection is unreasonable,

(b) from the relevant date, and

(c) subject to any conditions imposed—

(i) by the landlord under subsection (14), or

(ii) by the Land Court under section 41(2) or (3).

(5B) For the purposes of subsection (5A)(b), the relevant date is—

(a) where no application is made under section 40A—

(i) the date specified under subsection (2)(d),

(ii) if the objection is withdrawn, the date of the withdrawal,

(iii) the date the period mentioned in section 40A(3) expires, whichever is the later,

(b) where an application is made under section 40A, the date fixed by the Land Court under section 41(1)(b)(ii).”,

(c) after subsection (13) insert—

“(14) Where the landlord withdraws the objection under subsection (9) before the expiry of the period mentioned in section 40A(3), the landlord—

(a) must notify the tenant in writing of the withdrawal, and
(b) may impose any conditions as mentioned in subsection (10) and, where such conditions are imposed, must, at the same time as notifying the tenant of the withdrawal of the objection, notify the tenant in writing of the conditions (and the reasons for imposing them)."

(3) After that section insert—

"40A Landlord’s objection: application to Land Court

(1) This section applies where the landlord gives notice of an objection under section 40(11)(a) to a notice of diversification.

(2) The landlord may, before the expiry of the period mentioned in subsection (3), apply to the Land Court for a determination under section 41 that the objection is reasonable.

(3) That period is 60 days from the giving of notice of the objection under section 40(11)(a).

(4) The objection ceases to have effect—

(a) on the expiry of the period mentioned in subsection (3) unless the landlord applies, before the expiry of that period, to the Land Court under subsection (2), or

(b) if it is withdrawn before the expiry of that period, no such application having been made.".

(4) In section 41—

(a) in subsection (1), after “Where” insert “, on an application made by the landlord under section 40A(2),”,

(b) in subsection (2), for “40(4)(a)” substitute “40(4)(a) or (5A)”,

(c) in subsection (3)—

(i) after “Where” insert “, on the application of the tenant,”,

(ii) after “section 40(10)” insert “ or, as the case may be, (14)”.>
“(a) where the landlord has made a request for information under subsection (6), 60 days from the making of the request.”>

**Section 22**

**Rob Gibson**

285 In section 22, page 10, line 26, at end insert—

< ( ) to prepare recommendations for a modern list of improvements to agricultural holdings in accordance with section (Recommendations by Tenant Farming Commissioner for modern list of improvements),>

**Richard Lochhead**

213 In section 22, page 10, line 30, at end insert—

< ( ) to exercise any other functions conferred on the Commissioner by any enactment.>

**Alex Fergusson**

116 In section 22, page 10, line 30, at end insert—

< ( ) to provide or secure the provision of services of mediation or arbitration between landlords and tenants of agricultural holdings, to such extent and in such circumstances as the Commissioner considers appropriate.>

**Richard Lochhead**

214 In section 22, page 10, line 30, at end insert—

< ( ) The Tenant Farming Commissioner must exercise the Commissioner’s functions with a view to encouraging good relations between landlords and tenants of agricultural holdings.>

**Richard Lochhead**

215 In section 22, page 10, line 33, leave out <5> and insert <3>

**Richard Lochhead**

216 In section 22, page 10, line 34, at end insert—

< ( ) In carrying out a review under subsection (2), the Scottish Ministers must—

( ) invite the Tenant Farming Commissioner to give views on the operation of the Commissioner’s functions and, in particular, on whether the Commissioner’s powers are sufficient in relation to the Commissioner’s duties, and

( ) have regard to any such views given by the Commissioner.>
Section 25

Richard Lochhead

217 In section 25, page 11, line 30, after <holdings> insert <and their agents>

Claudia Beamish

139 In section 25, page 11, line 30, at end insert—

<( ) The Commissioner must, in particular, prepare a code of practice about negotiating and conducting rent reviews.>

Claudia Beamish

140 In section 25, page 11, line 30, at end insert—

<( ) The Commissioner must, in particular, prepare a code of practice about agreeing and recording improvements by tenants.>

Claudia Beamish

141 In section 25, page 11, line 30, at end insert—

<( ) The Commissioner must, in particular, prepare a code of practice about the process of succession and assignation.>

Claudia Beamish

142 In section 25, page 11, line 30, at end insert—

<( ) The Commissioner must, in particular, prepare a code of practice about determining compensation at waygo.>

Claudia Beamish

143 In section 25, page 11, leave out line 32

Claudia Beamish

144 In section 25, page 11, leave out line 33

Richard Lochhead

218 In section 25, page 11, line 34, at end insert—

<( ) the conduct of agents of landlords and tenants,>

Claudia Beamish

145 In section 25, page 11, leave out line 35

Claudia Beamish

146 In section 25, page 11, leave out line 36
Richard Lochhead

219 In section 25, page 12, line 1, after <tenancy> insert <and a repairing tenancy>

Section 26

Richard Lochhead

220 In section 26, page 12, line 28, after <holdings> insert <and their agents>

Richard Lochhead

221 In section 26, page 12, line 29, leave out <between> and insert <among>

Richard Lochhead

222 In section 26, page 12, line 30, after <holdings> insert <and their agents>

After section 26

Claudia Beamish

147 After section 26, insert—

Duty to comply with codes of practice

(1) Any person to whom a code of practice applies has a duty to comply with it (to the extent that it applies to the person).

(2) In this section, a “code of practice” means a code of practice prepared by the Tenant Farming Commissioner and published under section 25.

Section 27

Richard Lochhead

223 In section 27, page 12, line 37, leave out first <a> and insert <an alleged>

Section 28

Richard Lochhead

224 In section 28, page 13, leave out lines 23 and 24

Section 29

Jim Hume

286 In section 29, page 14, line 11, after <with> insert <—
Richard Lochhead
225 In section 29, page 14, leave out line 13

Jim Hume
287 In section 29, page 14, line 15, at end insert—

<( ) any provision of a code of practice prepared under section 25.>

After section 33

Rob Gibson
288 After section 33, insert—

<Tenant Farming Commissioner: modern list of improvements
Recommendations by Tenant Farming Commissioner for modern list of improvements
(1) The Tenant Farming Commissioner must—
(a) prepare a report setting out recommendations for a modern list of improvements
to agricultural holdings,
(b) submit the report to the Scottish Ministers.
(2) Before submitting the report to the Scottish Ministers under this section, the
Commissioner must consult any persons appearing to have an interest in the draft
recommendations.>

Section 98

Michael Russell
96 In section 98, page 100, line 31, at end insert—

<“equal opportunities” and “equal opportunity requirements” have the same
meanings as in Section L2 of Part 2 of schedule 5 of the Scotland Act 1998,>

Michael Russell
97 In section 98, page 100, line 31, at end insert—

<“human rights” includes such economic, social and cultural rights as are referred
to in—
(a) the International Covenant on Economic, Social and Cultural Rights (as
cited in section 98(5A) of the Land Reform (Scotland) Act 2003 and
qualified by the amendments, reservations, objections or interpretative
declarations mentioned in that section), or
(b) such other international covenants, conventions, agreements or EU
documents as the Scottish Ministers (after consulting the Scottish Human
Rights Commission and such other bodies or persons as the Scottish
Ministers consider appropriate) consider to be relevant.>
As an amendment to amendment 97, line 7, after <section>,> insert—

<( ) the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the context of National Food Security issued by the Food and Agriculture Organization of the United Nations,> 

In section 98, page 100, line 32, at end insert—

<“sustainable development” means development that is consistent with the 5 principles set out in the document One future – different paths: The UK’s shared framework for sustainable development, agreed between HM Government, the Scottish Executive, the Welsh Assembly Government and the Northern Ireland Office in 2005.>

In section 99, page 101, leave out line 17

<( ) section (Non-compliance with guidance under section 37)(4),>

In section 99, page 101, line 17, at end insert—

<( ) section (Non-compliance with guidance under section 37)(4),>

<( ) section (Reversion of land to further sustainable development)(4)(f),

( ) section (Reversion of land to further sustainable development)(7),>

<( ) section (Compulsory sale orders)(2) and (4),>

In section 99, page 101, leave out line 28

<( ) section (Compulsory sale orders)(2) and (4),>

In section 102, page 102, line 8, at end insert—
<1> Schedule (Right to buy land to further sustainable development: minor and consequential modifications), which contains minor amendments and amendments consequential upon the provisions of Part 5, has effect.

(2)>

Before schedule

Aileen McLeod

Before the schedule, insert—

<SCHEDULE
(introduced by section 102(1))

RIGHT TO BUY LAND TO FURTHER SUSTAINABLE DEVELOPMENT: MINOR AND CONSEQUENTIAL MODIFICATIONS

Land Reform (Scotland) Act 2003

1 (1) The Land Reform (Scotland) Act 2003 is amended as follows.

2 In section 52 (ballot procedure), for subsection (4) substitute—

“(4) The period referred to in subsection (3) above is—

(a) the period of 12 weeks beginning with the date on which a valuer is appointed under section 59(1) in respect of the land in relation to which the community body has confirmed it will exercise its right to buy, or

(b) where—

(i) the ballotter receives notification under section 60(3C), and

(ii) the date notified under paragraph (c) of that subsection is after the end of the 12 week period beginning with the date on which a valuer is appointed under section 59(1),

the period beginning with the date on which a valuer is appointed under section 59(1) and ending with the day after the date notified to the ballotter under section 60(3C).”.

3 In section 97N (effect of Ministers’ decision on right to buy), in subsection (2)(b), for “Register of Community Rights in Abandoned, Neglected or Detrimental Land” substitute “New Register”.

4 In section 97V (appeals), in subsection (9)(a), for “Register of Community Interests in Abandoned, Neglected or Detrimental Land” substitute “New Register”.

>Schedule

Richard Lochhead

227 In the schedule, page 103, line 9, leave out <or modern limited duration tenancies”> and insert <, modern limited duration tenancies or repairing tenancies”>

Richard Lochhead

228 In the schedule, page 103, line 9, at end insert—
The 1991 Act is amended as follows.

In section 21(1) (notice to quit and notice of intention to quit), leave out “2” and insert “2A”.

Richard Lochhead

In the schedule, page 103, line 13, leave out <or modern limited duration tenancy”> and insert <, modern limited duration tenancy or repairing tenancy”>

Richard Lochhead

In the schedule, page 103, line 15, leave out <or a modern limited duration tenancy”> and insert <, a modern limited duration tenancy or a repairing tenancy”>

Richard Lochhead

In the schedule, page 103, line 21, at end insert <, or (v) a repairing tenancy within the meaning of that Act.”>

Richard Lochhead

In the schedule, page 103, line 25, leave out <or a modern limited duration tenancy”> and insert <, a modern limited duration tenancy or a repairing tenancy”>

Richard Lochhead

In the schedule, page 103, line 30, leave out <or a modern limited duration tenancy”> and insert <, a modern limited duration tenancy or a repairing tenancy”>

Richard Lochhead

In the schedule, page 104, line 2, leave out “or a modern limited duration tenancy” and insert “, a modern limited duration tenancy or a repairing tenancy”>

Richard Lochhead

In the schedule, page 104, line 4, leave out “or a modern limited duration tenancy” and insert “, a modern limited duration tenancy or a repairing tenancy”>

Richard Lochhead

In the schedule, page 104, line 5, leave out <or 16A”> and insert <, 16A or 16B”>

Richard Lochhead

In the schedule, page 104, line 7, leave out “or a modern limited duration tenancy” and insert “, a modern limited duration tenancy or a repairing tenancy”>
Richard Lochhead

238 In the schedule, page 104, line 12, leave out "or a modern limited duration tenancy" and insert "a modern limited duration tenancy or a repairing tenancy"

Richard Lochhead

239 In the schedule, page 104, line 13, leave out "or section 16A" and insert "section 16A or, as the case may be, section 16B"

Richard Lochhead

240 In the schedule, page 104, line 14, leave out "or 16A" and insert "16A or, as the case may be, 16B"

Richard Lochhead

241 In the schedule, page 104, line 15, leave out "or section 16A" and insert "section 16A or, as the case may be, section 16B"

Richard Lochhead

242 In the schedule, page 104, line 16, leave out "or 16A" and insert "16A or, as the case may be, 16B"

Richard Lochhead

243 In the schedule, page 104, line 18, leave out "and modern limited duration tenancies" and insert "modern limited duration tenancies and repairing tenancies"

Richard Lochhead

244 In the schedule, page 104, line 21, leave out "and modern limited duration tenancies" and insert "modern limited duration tenancies and repairing tenancies"

Richard Lochhead

245 In the schedule, page 104, line 28, leave out "or a modern limited duration tenancy" and insert "a modern limited duration tenancy or a repairing tenancy"

Richard Lochhead

246 In the schedule, page 104, line 32, leave out "or a modern limited duration tenancy" and insert "a modern limited duration tenancy or a repairing tenancy"

Richard Lochhead

247 In the schedule, page 104, line 34, leave out "or a modern limited duration tenancy" and insert "a modern limited duration tenancy or a repairing tenancy"

Richard Lochhead

248 In the schedule, page 104, line 36, leave out "or a modern limited duration tenancy" and insert "a modern limited duration tenancy or a repairing tenancy"
Richard Lochhead

249 In the schedule, page 105, line 1, at end insert <, or
(d) tenancy under a lease constituting a repairing tenancy,”.>

Richard Lochhead

250 In the schedule, page 105, line 5, after <tenancy> insert <, or
(d) a repairing tenancy,”.>

Rob Gibson

289 In the schedule, page 105, line 7, leave out <improvements),> and insert <improvements) —
( )>

Rob Gibson

290 In the schedule, page 105, line 9, at end insert —
( ) after subsection (4) insert —
“(5) Nothing in any order made under section 73 of the 1991 Act which varies the provisions of schedule 5 to that Act affects the right of a tenant of a short limited duration tenancy, a limited duration tenancy or a modern limited duration tenancy to claim, in respect of an improvement made or begun before the date on which such order comes into force, any compensation to which, but for the making of the order, the tenant would have been entitled.”.>

Richard Lochhead

251 In the schedule, page 105, line 34, leave out <created under section 5A>

Richard Lochhead

252 In the schedule, page 106, line 11, leave out <or a modern limited duration tenancy”> and insert <, a modern limited duration tenancy or a repairing tenancy”>

Richard Lochhead

253 In the schedule, page 106, line 14, leave out <(2)(a),> and insert <(2)(a)—
( ) “or” immediately after sub-paragraph (ii) is repealed,
( )>

Richard Lochhead

254 In the schedule, page 106, line 15, at end insert <or
(iib) a repairing tenancy,”.>

Richard Lochhead

255 In the schedule, page 106, line 17, leave out <“or a modern limited duration tenancy”> and insert <“, a modern limited duration tenancy or a repairing tenancy”>
Richard Lochhead

256 In the schedule, page 106, line 18, leave out <7A(1)> and insert <7B(1), 7D(1) or 7D(7)>

Richard Lochhead

257 In the schedule, page 106, line 20, leave out <“, a modern limited duration tenancy”> and insert <“, a modern limited duration tenancy, a repairing tenancy”>

Richard Lochhead

258 In the schedule, page 106, line 22, leave out <and modern limited duration tenancies”> and insert <, modern limited duration tenancies and repairing tenancies”>

Richard Lochhead

259 In the schedule, page 106, line 24, leave out <, after the definition of “limited duration tenancy” insert—> and insert <—

( ) for the definition of “limited duration tenancy” substitute—

““limited duration tenancy” means a tenancy—

(a) created by virtue of section 5(1), or

(b) converted by virtue of section 5(2), (3) or (4),

before the repeal of that section by section 74(2) of the Land Reform (Scotland) Act 2016,>

Richard Lochhead

260 In the schedule, page 106, line 26, at end insert—

<r( ) after the definition of “the Parliament” insert—

““repairing tenancy” is to be construed in accordance with section 5C,”,>

Richard Lochhead

261 In the schedule, page 106, line 31, leave out <or modern limited duration tenancy”> and insert <, modern limited duration tenancy or repairing tenancy”>

Claudia Beamish

153 In the schedule, page 106, leave out lines 32 to 38

Richard Lochhead

262 In the schedule, page 106, line 38, at end insert <or

(E) a repairing tenancy (within the meaning of that Act),”.

Alex Fergusson

300 In the schedule, page 107, line 12, leave out paragraphs 9 to 11
Richard Lochhead

263 In the schedule, page 107, line 24, after <7(2)> insert <of schedule 1A>

Richard Lochhead

264 In the schedule, page 107, line 27, at end insert—

<( )> In section 54 (compensation where compulsory acquisition of land), in subsection (6)(b)—

(a) for “sections 13 and 15 of that Act” substitute “paragraph 7 of schedule 1A and section 15 of that Act”,

(b) for “sections 9 and 10” substitute “sections 9B and 10”.

Richard Lochhead

265 In the schedule, page 109, leave out line 1

Richard Lochhead

266 In the schedule, page 110, line 6, leave out <9B(3), 9C(6)>

Richard Lochhead

267 In the schedule, page 110, line 9, after <(4)(b),> insert <—

( ) after “section” insert “9B(3), 9C(6),”,

( )>

Richard Lochhead

268 In the schedule, page 110, line 9, after <38N(4)> insert <, 59A>

Richard Lochhead

269 In the schedule, page 110, line 9, at end insert—

<( )> for “or 74,” substitute “, 74 or 74A,”.

Section 103

Patrick Harvie

133 In section 103, page 102, line 12, after <sections> insert <(Entry in valuation roll of vacant and derelict land),>

Michael Russell

4 In section 103, page 102, line 12, after <sections> insert <69 to 71,>
Long Title

Alex Fergusson

99 In the long title, page 1, line 6, leave out from first <to> to <forests;> in line 7

Richard Lochhead

270 In the long title, page 1, line 9, leave out <a new form> and insert <new forms>

Richard Lochhead

271 In the long title, page 1, line 14, after <tenants,> insert <to provide for certain holdings to be relinquished where landlords agree or assigned to persons new to or progressing in farming.>