

Briefing

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Land Reform (Scotland) Bill Stage 3

In advance of the Stage 3 consideration in the Scottish Parliament of the Land Reform (Scotland) Bill, which is taking place over the coming weeks, this briefing provides detail on key areas of concern for NFU Scotland and a table that sets out specific amendments which NFU Scotland is calling for MSPs to support.

Background

Farmers and crofters manage 70% of Scotland's land, supporting food production, biodiversity and rural communities. It is important that the Land Reform (Scotland) Bill recognises the vital role that farmers and crofters play in underpinning the rural economy by enabling businesses to thrive and does not punish those who manage land responsibly. The Bill should not negatively impact the future availability of land for tenant and the next generation of farmers.

1. Land Management Plans – simple to complete and 3000ha

Following changes at Stage 2, Land Management Plans (LMPs) will be required for landholdings over 1000ha. The maximum fine for a breach to the LMP requirements has also been increased to £40,000. There is an appeal process and steps the Commissioner needs to take before imposing a fine, but the amount is too high, and it should be made clearer the maximum amount is not the starting point but in the event of repetitive breaches.

LMPs should:

- Only apply to landholdings over 3,000 hectares
- Be simple to and quick to complete

- Not include any commercially sensitive information or duplicate existing reporting practices such as those within the Whole Farm Plan requirements.
- Not have such a high fine for breaches.

2. Remove the lotting proposal

Landowners looking to sell land could be required for it to be split into smaller lots. This could cost significant amounts in compensation, cause administrative workload for the Scottish Government, delay or complicate land sales and harm viable farm businesses and rural communities. We called for the inclusion of an exemption for non-controversial, small-scale land transactions which was added in Stage 2. However, we believe the lotting section should be completely removed until a detailed assessment of the impact on the land market can be carried out.

3. Resumption needs balance

We are calling for a balance in resumption proposals which protects and supports the future of the let land sector. The current Bill does not do this. We support increasing compensation provisions for 1991 Act Tenancies, but do not support the current provisions in the Bill. We are focussing on a fair balance and a tenant being left no better and no worse. We do not support changes to 2003 Act Tenancies; due to the impact this will have on the confidence of the sector. At the time of creation, these tenancies were not to be changed retrospectively. Making changes to compensation provisions for these tenancies will not have a positive effect or support a healthy and vibrant tenanted sector. Our position is that 1991 Act tenants must be left no better and no worse off and there should be no retrospective changes to 2003 Act Tenancies.

Amendments to support:

Number	Details on the amendment
1	Return Land Management Plan size requirement back to the 3,000 hectares threshold.
148,	Reduce the maximum fine for a breach to £5,000
271, 272, 273	Clarify that the £40,000 fine follows multiple breaches, not just one.

- 2 Removal of lotting section.
- 345 Introduce power to consider Notice to Quit via regulations in the future.
- 346 To note: NFU Scotland acknowledges that the Scottish Government has listened to our concerns in relation to the inclusion of 2003 Act Tenancies within the Bill. While NFU Scotland supports this amendment, which removes them from the proposals set out in the Bill, the risk of retrospective changes will remain through secondary legislation. We stand firm against retrospective changes to modern 2003 Act Tenancies, however this is an improvement to the current legislation.

NFU Scotland has also provided a more detailed briefing on the majority of amendments lodged at Stage 3 to political parties in advance of Stage 3 deliberations. MSPs can email Beatrice.morrice@nfus.org.uk for more details.

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