



Tenant Farming Advisory Forum

Draft Minutes of the Meeting of the Tenant Farming Advisory Forum (TFAF) held at Saughton House, 17th June 2024

Present:		Actions
Bob McIntosh	Tenant Farming Commissioner (Chair)	TFC
Calum Jones	Scottish Government (SG)	CJ
Fiona Leslie	Scottish Government (SG)	FL
Helen Mooney	Scottish Government (SG)	HM
Peter MacDougall	Scottish Land Commission (SLC)	PM
Uwe Stoneman	Scottish Land Commission (SLC)	US
Sarah-Jane Laing	Scottish Land and Estates (SLE)	SJL
David Johnstone	Scottish Land and Estates (SLE)	DJ
Christopher Nicholson	Scottish Tenant Farmers Association (STFA)	CN
Douglas Bell	Scottish Tenant Farmers Association (STFA)	DB
Gemma Cooper	National Farmers Union Scotland (NFUS)	GC
Mark Fogden	Scottish Agric Arbiters & Valuers Association (SAAVA)	MF
Andrew Wood	Royal Institute of Chartered Surveyors (RICS)	AW
Heather Bruce	Agricultural Law Association (ALA)	HB

Apologies:

Rhianna Montgomery	National Farmers' Union Scotland (NFUS)	RM
Jon Robertson	Agricultural Law Association (ALA)	JR
Martin Kennedy	National Farmers' Union Scotland (NFUS)	MK
Jackie McCreery	Scottish Land and Estates (SLE)	JM

1. Welcome and apologies.

The chair welcomed everyone to the meeting at 2pm. Apologies see above.

2. Minutes of last meeting.

Peter will circulate the minutes from the previous meeting held at Saughton House on 2 May 2024. Members to get back to Peter per email with any questions, comments or corrections.

3. Update on the Land Reform Bill (Fiona Leslie/Calum Jones)

FL - reiterated that she expects all TFAF members to be asked to provide evidence to the committee, and that they should follow up with the clerks of the committee if necessary. FL also mentioned that her team can feed in any comments received from TFAF members. So

far over 100 representations through calls-for-views have been received. Once further evidence sessions are scheduled, dates and times will be published on the SG website.

TFAF members may be approached by Anna Brand from SPICE, e.g. for technical details.

BM – mentioned the SLC will make a written submission of the evidence SLC gave to committee and encouraged other TFAF members to do the same.

SJL – asked whether the TFAF would be able to meet with the committee as a group, potentially as a farm site visit.

ACTION BM – to write to the committee to request a site visit with TFAF members in principle and then consider a suitable farm/landholding.

4. Potential for a new agricultural housing condition survey

FL – proposal to update the last (2016) survey, which had a small sample size. SJL – the 2016 survey produced a disparity of assessment by landlords and tenants. BM – in 2016 4,800 tenancies included a house and it was estimated to cost £146M to bring these up to spec.

FL – this figure included listed buildings. SJL – standards now are higher. DJ – new survey may be a good idea if it covers a representative sample size. SJL – what would be the purpose of the new survey? CJ – to update the picture. FL – to get a handle on the number of properties and volume of work required.

AW – Financial reality is it may be better to resume entire farm and pay tenant off than to spend the money upgrading the house. 90% of housing in 91 Act tenancies built before 1900 therefore will never be brought up to the required standard.

FL – the survey would only include houses which are part of tenancies, not crofts but potentially smallholdings.

Members discussed heating and insulation requirements and the need to consider running costs after refit of a heating systems, especially if the insulation is sub-standard. FL – acknowledged that carbon savings should not result in fuel poverty and encouraged TFAF members to get their views heard. **ACTION all.**

SJL – suggested for TFAF members to ask for a meeting with Paul McLennan, Minister for Housing of Scotland. **Action SJL** to request meeting.

It was agreed that modelling, using case studies, potentially considering the average farmhouse, would be more cost-effective than a new survey. From this work out how much it would cost to bring houses up to spec, who pays for it and whether grants are available.

CN – felt that other potential legislation changes in the near future would have a greater cost impact than the proposed required alterations to housing.

FL – funding eligibility needs to be explored – incl. child credits?

DJ and CN – estimated that the necessary improvements could cost as much as 50-80k per house.

MF – asked whether TFAF would be able to input into the scope of the proposed survey. FL – confirmed that this would be the case.

AW – Moses Jenkins (HES) has useful figures. FL – we can include these.

AW – is it ok if the research answers a different question to the one originally posed? FL – yes.

ACTION HM – to circulate the 2016 survey to TFAF members.

5. Trusts and Tenant Farming - a discussion paper by Calum Jones

Members discussed whether trusts or companies were at the heart of the issue, and whether the proposed consultation on trusts was useful. It was debated whether this was an actual issue or a theoretical issue. FL – confirmed the need for the consultation to take place and urged members to submit their comments on the paper. (**ACTION all.**) If there were no issues with trusts, the consultation would confirm this and probably be over quickly. Otherwise, the timeframe is 12 weeks.

6. Solutions to enable letting of land.

Members discussed issues around the right to buy, tax and tax relief, the high risk created by uncertainty about potential legislation changes during the life-time of a tenancy, circumstances for new entrant farmers, incentivisation for landlords to make tenancies available, suitability of assignees, workability of the current law, potential extension of crofting and smallholdings, the role of publicly owned land in the latter, perceived 'anti-landlordism', the role of the land court and whether it matters who farms, as long as the land is in farmed well.

AW – the basic actions required are to stop meddling with legislation and change the tax system.

All agreed that existing papers from Jeremy Moodie for SLC and the Rock Review need to be revisited and considered.

ACTION FL – will prepare a paper for future consideration by TFAF (no time frame)

7. AOBs

a. Housing:

There was a discussion centring around the issues relating to housing, a number of issues raised such as how do we deal with the repairing standard, and how can the rent reflect investment for improvement and what if the tenant carries out the improvements?

BM – it is important to get clarification on who is responsible for what. It was established that there may be still an opportunity for amendments to clarify some of the issues. FL – it is important for TFAF to decide on what it wants to bring forward.

ACTION BM circulate a discussion paper based on the paper by JM which was attached to the agenda for today. **ACTION All** Members to consider this and give comment via email.

b. Rent Review Comparables

CN – question around naming of comparable farms in rent reviews. BM has compiled a draft guide which encourages transparency.

CN – cases could avoid the Land Court if there was more transparency from an early stage.

MF – our group is here to promote good practice and we should endorse good practice and Bob's guidance. A minimum level of information is needed while still protecting individuals. Arbitration could provide solutions but can currently be contested in the land court.

BM – too many tenants are not reverting with their own evidence during rent reviews. Tenants need to be better at responding constructively.

c. New TFC

Successor for Bob: recruitment starts at the end of this month with the aim to appoint a successor by the end of this year. The plan is to contract the new TFC for 3 days/week (i.e. one additional day/week)

SJL – proposed a good-bye dinner for Bob, which was widely supported.

d. Land Reform Bill

How can TFAF submit to the committee what its members agree on? BM – the committee has the TFC's submission. **ACTION BM** – to circulate his submission, **ACTION all** – to indicate on Bob's submission if they agree/disagree with specific points.

e. Date of next meeting

TBC