



Agricultural Holdings (Scotland) Act 2003

2003 asp 11

PART 1

AGRICULTURAL TENANCIES

CHAPTER 1

TYPES OF TENANCY

Tenancies under the 1991 Act

1 Application of the 1991 Act to agricultural holdings

- (1) This subsection applies where—
 - (a) a lease is entered into on or after the coming into force of this subsection; and
 - (b) the tenancy under the lease is a tenancy of an agricultural holding in relation to which the Agricultural Holdings (Scotland) Act 1991 (c. 55) (in this Act referred to as “the 1991 Act”) would have applied had the lease been entered into immediately before the coming into force of this subsection.
- (2) Where subsection (1) applies, the 1991 Act does not apply in relation to the tenancy (except in so far as this Act applies any provision of that Act to short limited duration tenancies or limited duration tenancies) unless the lease—
 - (a) is entered into in writing prior to the commencement of; and
 - (b) expressly states that the 1991 Act is to apply in relation to, the tenancy.
- (3) Section 2 (leases for less than year to year) of the 1991 Act is repealed.
- (4) Where, in respect of a tenancy of an agricultural holding—
 - (a) the lease is entered into before the coming into force of this subsection and the 1991 Act applies in relation to the tenancy; or
 - (b) the lease is entered into on or after the coming into force of this subsection and (by virtue of the conditions mentioned in paragraphs (a) and (b) of subsection (2) being fulfilled) the 1991 Act applies in relation to the tenancy,

the tenancy under the lease is in this Act referred to as a “1991 Act tenancy”.

2 Conversion from 1991 Act tenancy to limited duration tenancy

- (1) The landlord and tenant under a 1991 Act tenancy may terminate the tenancy by agreement provided that—
 - (a) the agreement is—
 - (i) in writing and specifies the date on which the termination is to have effect; and
 - (ii) 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 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 IV (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 at 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.