



Agricultural Holdings (Scotland) Act 1991

1991 CHAPTER 55

[^{F1}PART 3A

RELINQUISHING AND ASSIGNATION OF HOLDINGS

CHAPTER 1

TENANT'S OFFER TO RELINQUISH HOLDING

Valuer's assessment

[^{F1}32J 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) of when the landlord would in the normal course of events have been likely to recover vacant possession of the land from the tenant,

*Changes to legislation: There are currently no known outstanding effects for the
Agricultural Holdings (Scotland) Act 1991, Section 32J. (See end of Document for details)*

- (ii) of the terms and conditions of any lease, other than the lease of the holding, affecting the land,
- (c) is to take no account of—
 - (i) the existence of any person to whom the tenant could assign the lease of the holding under section 10A or to whom the lease could be bequeathed under section 11,
 - (ii) 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,
 - (iii) any factor attributable to any use of the land which is or would be unlawful,
 - (iv) any increase in the value of the land resulting from improvements in relation to which the tenant would be entitled to compensation as mentioned in subsection (1)(b)(i) and (ii),
 - (v) 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 one permitted by the lease of the holding,
 - (vi) 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 in relation to which the landlord would be entitled to compensation as mentioned in subsection (1)(b)(iii),
 - (vii) 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 one permitted by the lease of the holding.
- (3) For the purposes of subsection (2)(c)(iv)—
 - (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.
- (5) The Scottish Ministers may by regulations amend subsections (2) and (3) so as to—
 - (a) add,
 - (b) remove,
 - (c) vary the description of,

a matter which the valuer must have regard to, take account of or take no account of in assessing the value of the land under subsection (1)(a)(i) or (ii).
- (6) Regulations under subsection (5) are subject to the affirmative procedure.]

Textual Amendments

- F1** Pt. 3A inserted (23.12.2016 for specified purposes, 28.2.2021 in so far as not already in force) by [Land Reform \(Scotland\) Act 2016 \(asp 18\)](#), **ss. 110(2)**, 130(1) (with s. 128); [S.S.I. 2016/365](#), reg. 2; [S.S.I. 2020/428](#), reg. 2

Changes to legislation:

There are currently no known outstanding effects for the Agricultural Holdings (Scotland) Act 1991, Section 32J.