



Agricultural Holdings (Scotland) Act 1991

1991 CHAPTER 55

PART II

TERMS OF LEASES AND VARIATIONS THEREOF

5 Fixed equipment and insurance premiums.

- (1) When a lease of an agricultural holding to which this section applies is entered into, a record of the condition of the fixed equipment on the holding shall be made forthwith, and on being so made shall be deemed to form part of the lease; and section 8 of this Act shall apply to the making of such a record and to the cost thereof as it applies to a record made under that section.
- (2) There shall be deemed to be incorporated in every lease of an agricultural holding to which this section applies—
 - (a) an undertaking by the landlord that, at the commencement of the tenancy or as soon as is reasonably practicable thereafter, he will put the fixed equipment on the holding into a thorough state of repair, and will provide such buildings and other fixed equipment as will enable an occupier reasonably skilled in husbandry to maintain efficient production as respects both—
 - (i) the kind of produce specified in the lease, or (failing such specification) in use to be produced on the holding, and
 - (ii) the quality and quantity thereof,and that he will during the tenancy effect such replacement or renewal of the buildings or other 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 shall extend only to a liability to maintain the fixed equipment on the holding in as good a state of repair (natural decay and fair wear and tear excepted) as it was in—
 - (i) immediately after it was put in repair as aforesaid, or

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- (ii) in the case of equipment provided, improved, replaced or renewed during the tenancy, immediately after it was so provided, improved, replaced or renewed.

^{F1}(3)

- (4) Any provision in a lease to which this section applies requiring the tenant to pay the whole or any part of the premium due under a fire insurance policy over any fixed equipment on the holding shall be null and void.

[^{F2}(4A) Any agreement between the landlord and tenant made before the coming into force of this subsection which purports to provide for the tenant to execute on behalf of the landlord (whether wholly at his expense or wholly or partly at the expense of the landlord) any work effecting such replacement or renewal of the building or other fixed equipment on the holding as is rendered necessary by natural decay or by fair wear and tear shall be nullified provided that subsection (4B) below is complied with.

[^{F3}(4B) This subsection is complied with if—

- (a) subject to subsection (4BA), no later than 6 months before the date from which any variation of rent will take effect, the tenant gave written notice to the landlord stating that the agreement is to be nullified on that date;
- (b) the rent is reviewed in accordance with the terms of the tenancy or is determined by the Land Court in accordance with section 13 of this Act; and
- (c) on the date referred to in paragraph (a)—
 - (i) the buildings and other fixed equipment are in a reasonable state of repair; or
 - (ii) if the buildings and other fixed equipment were in an unreasonable state of repair when the agreement was made, they are not in a worse state of repair than they were then.

(4BA) Where a rent review is initiated less than 6 months before any variation of rent would take effect, subsection (4B)(a) is complied with if notice is given when it is initiated, or as soon as reasonably practicable thereafter.]

(4C) Any agreement between the landlord and tenant made before the coming into force of this subsection which purports to provide for the tenant to bear any expense of any work effecting such replacement or renewal of the building or other fixed equipment on the holding as is rendered necessary by natural decay or by fair wear and tear shall be subject to subsections (4A) and (4B) above.

(4D) Any agreement between the landlord and tenant made on or after this subsection comes into force which purports to provide for the tenant to bear any expense of any work which the landlord is required to execute in order to fulfil his obligations under the lease shall be null and void.]

^{F4}(5)

- (6) This section applies to any lease of an agricultural holding entered into on or after 1st November 1948.

Textual Amendments

- F1** S. 5(3) repealed (27.11.2003) by [Agricultural Holdings \(Scotland\) Act 2003 \(asp 11\)](#), ss. 60(a), 95(3), 95(4) (with s. 95(2)); S.S.I. 2003/548, art. 2(e) (with Sch.)

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| F2 | S. 5(4A)-(4D) inserted (27.11.2003) by Agricultural Holdings (Scotland) Act 2003 (asp 11) , ss. 60(b), 95(3), 95(4) (with s. 95(2)); S.S.I. 2003/548 , art. 2(e) (with Sch.) |
| F3 | S. 5(4B)(4BA) substituted for s. 5(4B) (22.3.2011) by The Public Services Reform (Agricultural Holdings) (Scotland) Order 2011 (S.S.I. 2011/232) , arts. 1(1), 4 (with art. 10) |
| F4 | S. 5(5) repealed (27.11.2003) by Agricultural Holdings (Scotland) Act 2003 (asp 11) , s. 95(3)(4), Sch. para. 13 (with s. 95(2)); S.S.I. 2003/548 , art. 2(i) (with Sch.) |

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Changes and effects yet to be applied to :

- s. 5(4B)(b) words substituted by [2016 asp 18 Sch. 2 para. 11\(2\)](#)