CHAPTER 75

Agricultural Holdings (Scotland) Act, 1949

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An Act to consolidate the Agricultural Holdings (Scotland) Act, 1923, Part II of the Small Landholders and Agricultural Holdings (Scotland) Act, 1931, Part I of the Agriculture (Scotland) Act, 1948, and certain other enactments relating to agricultural holdings, save, with respect to rights to compensation, in their application to certain cases determined by past events. [24th November 1949.]

BE it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

Meaning of " agricultural holding "

Meaning of " agricultural holding."

1.—(1) In this Act the expression " agricultural holding " means the aggregate of the agricultural land comprised in a lease, not being a lease under which the said land is let to the tenant during his continuance in any office, appointment or employment held under the landlord.

(2) For the purposes of this and the next following section, the expression " agricultural land " means land used for agriculture which is so used for the purposes of a trade or business, and includes any other land which, by virtue of a designation of the Secretary of State under subsection (1) of section eighty-six of the Agriculture (Scotland) Act, 1948, is agricultural land within the meaning of that Act.

Provisions as to leases

Restriction on letting agricultural land for less than from year to year.

2.—(1) Subject to the provisions of this section, where under a lease entered into on or after the first day of November, nineteen hundred and forty-eight, any land is let to a person for use as agricultural land for a shorter period than from year to year, and the circumstances are such that if he were a tenant from year to year he would in respect of that land be the tenant of an agricultural holding, then, unless the letting was approved by the Secretary of State before the lease was entered into, the lease shall take effect, with the necessary modifications, as if it were a lease of the land from year to year:

Provided that this subsection shall not have effect in relation to a lease of land entered into (whether or not the lease expressly so provides) in contemplation of the use of the land only for grazing or mowing during some specified period of the year, or in relation to a lease of land granted by a person whose interest in the land is that of a tenant under a lease which is for a shorter period than from year to year and which has not by virtue of this section taken effect as a lease from year to year.

(2) Any question arising as to the operation of the foregoing subsection in relation to any lease shall be determined by arbitration.

Tacit relocation.

3.—(1) The tenancy of an agricultural holding shall, instead of coming to an end on the termination of the stipulated endurance of any lease, be held to be continued in force by tacit relocation for another year and thereafter from year to year, unless such notice to terminate the tenancy as is mentioned in section twenty-four of this Act has been given by either party to the other.

(2) The provisions of the foregoing subsection shall have effect notwithstanding any agreement or any provision in the lease to the contrary.

Provisions for securing written leases and for the revision of certain leases.

4.—(1) Where in respect of the tenancy of an agricultural holding—

(*a*) there is not in force a lease in writing embodying the terms of the tenancy, or

(*b*) there is in force such a lease, being either—

(i) a lease entered into on or after the first day of November, nineteen hundred and forty-eight, or

(ii) a lease entered into before that date, the stipulated period of which has expired and which is being continued in force by tacit relocation,

and such lease contains no provision for one or more of the matters specified in the Fifth Schedule to this Act or contains a provision inconsistent with that Schedule or with the next following section,

the landlord or the tenant may give notice in writing to his tenant or his landlord requesting him to enter into such a lease containing provision for all of the said matters or a provision not inconsistent with the said Schedule or the said section, as the case may be; and if within the period of six months after the giving of such notice no such lease has been concluded, the terms of the tenancy shall be referred to arbitration.

(2) On any such reference the arbiter shall by his award specify the terms of the existing tenancy, and, in so far as those terms make no provision for all the matters specified in the Fifth Schedule to this Act or make provision inconsistent with that Schedule or with the next following section, make such provision for those matters as appears to the arbiter to be reasonable.

(3) On any such reference the arbiter may include in his award any further provisions not inconsistent with the provisions of this Act relating to the tenancy which may be agreed between the landlord and the tenant.

Respective liabilities of landlord and tenant for provision and maintenance of fixed equipment and for payment of insurance premiums.

5.—(1) Where a lease has been entered into for the letting of an agricultural holding, 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 the provisions of section seventeen of this Act shall apply to the making of such a record and to the cost thereof as they apply to a record made under that section.

(2) There shall be deemed to be incorporated in every lease for the letting of an agricultural holding—

(*a*) an undertaking by the landlord that, at the commencement of the tenancy or as soon as is reasonably possible 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 the kind of produce specified in the lease, or (failing such specification) in use to be produced on the holding, and the quality and quantity thereof, and 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 immediately after it was put in repair as aforesaid or, in the

case of equipment provided, improved, replaced or renewed during the tenancy, as it was in immediately after it was so provided, improved, replaced or renewed.

(3) Nothing in the last foregoing subsection shall be deemed to prohibit any agreement made after the lease has been entered into between the landlord and the tenant whereby one of the parties undertakes to execute on behalf of the other party, and wholly at his own expense or wholly or partly at the expense of the other party, any work which the other party is required to execute in order to fulfil his obligations under the lease.

(4) Any provision in a lease 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.

(5) Any question arising as to the liability of a landlord or of a tenant under this section shall be determined by arbitration.

(6) This section shall not apply to any lease entered into before the first day of November, nineteen hundred and forty-eight.

Provisions supplementary to s. 4 and s. 5.

6.—(1) Where by virtue of section four of this Act the liability for the maintenance or repair of any item of fixed equipment is transferred from the tenant to the landlord, the landlord may within the prescribed period beginning with the date on which the transfer takes effect require that there shall be determined by arbitration, and paid by the tenant, the amount of any compensation which would have been payable under section fifty-seven of this Act or in accordance with subsection (3) of that section, in respect of any previous failure by the tenant to discharge the said liability, if the tenant had quitted the holding on the termination of his tenancy at the date on which the transfer takes effect.

(2) Where by virtue of section four of this Act the liability for the maintenance or repair of any item of fixed equipment is transferred from the landlord to the tenant, any claim by the tenant in respect of any previous failure by the landlord to discharge the said liability shall, if the tenant within the prescribed period beginning with the date on which the transfer takes effect so requires, be determined by arbitration, and any amount directed by the award to be paid by the landlord shall be paid by him to the tenant.

(3) Where it appears to the arbiter—

(*a*) on any reference under section four of this Act that, by reason of any provision which he is required by that section to include in his award, or

(*b*) on any reference under subsection (5) of section five of this Act that, by reason of any provision included in his award,

it is equitable that the rent of the holding should be varied, he may vary the rent accordingly.

(4) The award of an arbiter under section four or five of this Act shall have effect as if the terms and provisions specified and made therein were contained in an agreement in writing entered into by the landlord and the tenant and having effect as from the making of the award or, if the award so provides, from such later date as may be specified therein.

Variation of rent.

7.—(1) Subject to the provisions of this section the landlord or the tenant of an agricultural holding may, whether the tenancy was created before or after the commencement of this Act, by notice in writing served on his tenant or his landlord demand a reference to arbitration of the question what rent should be payable in respect of the holding as from the next ensuing day on which the tenancy could have been terminated by notice to quit given at the date of demanding the reference, and the matter shall be referred accordingly.

(2) On any reference under the last foregoing subsection the arbiter—

(*a*) shall not take into account any increase in the rental value of the holding which is due to improvements which have been executed thereon in so far as they were executed wholly or partly at the expense of the tenant (whether or not that expense has been or will be reimbursed by a grant out of moneys provided by Parliament) without any equivalent allowance or benefit made or given by the landlord in consideration of their execution, and have not been executed under an obligation imposed on the tenant by the terms of his lease, or to improvements which have been executed thereon by the landlord in so far as the landlord has received or will receive grants out of moneys provided by Parliament in respect of the execution thereof, or fix the rent at a higher amount than would have been properly payable if these improvements had not been so executed;

(*b*) shall not take into account the relief in respect of rates to occupiers of agricultural lands and heritages effected by the Local Government (Scotland) Act, 1929, nor the amounts recoverable by occupiers from owners under section forty-seven of that Act, nor any benefit that may accrue to the tenant from the operation of the Agricultural Marketing Act, 1931; and

(*c*) shall not fix the rent at a lower amount by reason of any dilapidation or deterioration of, or damage to, fixed equipment or land caused or permitted by the tenant.

Subject as aforesaid, the arbiter shall determine what rent should properly be payable in respect of the holding as from the day mentioned in the last foregoing subsection.

(3) A reference to arbitration under subsection (1) of this section shall not be demanded in such circumstances that any increase or reduction of rent made in consequence thereof would take effect as from a date earlier than the expiration of five years from the latest in time of the following dates, that is to say—

(*a*) the commencement of the tenancy, or

(*b*) the date as from which there took effect a previous increase or reduction of rent (whether made under this section or otherwise), or

(*c*) the date as from which there took effect a previous direction under this section that the rent should continue unchanged:

Provided that there shall be disregarded for the purposes of this subsection—

(i) an increase or reduction of rent under subsection (3) of the last foregoing section;

(ii) an increase of rent under subsection (1) of the next following section or such an increase as is referred to in subsection (2) of that section;

(iii) a reduction of rent under section thirty-four of this Act, or under subsection (7) of section thirty-two of the Agriculture (Scotland) Act, 1948.

(4) The continuous adoption by the tenant of a standard of farming or a system of farming more beneficial to the holding 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 holdings in the district, shall be deemed, for the purposes of subsection (2) of this section, to be an improvement executed at his expense.

Increases of rent in respect of certain improvements carried out by landlord.

8.—(1) Where the landlord of an agricultural holding has, whether before or after the commencement of this Act, carried out on the holding an improvement (whether or not one for the carrying out of which compensation is provided under the following provisions of this Act) being either an improvement carried out—

(*a*) at the request of, or in agreement with, the tenant; or

(*b*) in pursuance of an undertaking given by the landlord under subsection (3) or paragraph (*b*) of subsection (6) of section three of the Agricultural Holdings (Scotland) Act, 1923, or under subsection (3) of section fifty-two of this Act; or

(*c*) in compliance with a direction given by the Secretary of State under powers conferred on him by or under any enactment; or

(*d*) in accordance with a provision in that behalf included in a hill farming land improvement scheme approved under the Hill Farming Act, 1946, being a provision so included at the instance or with the consent of the tenant;

or works for the supply of water to the holding executed in pursuance of directions given by the Agricultural Executive Committee under Defence Regulations or of a scheme approved by the Agricultural Executive Committee, then, subject to the provisions of this section, the rent of the holding shall, if the landlord by notice in writing served on the tenant within six months from the completion of the improvement so requires, be increased as from the completion of the improvement or, where the improvement was completed before the first day of November, nineteen hundred and forty-eight, as from that day, by an amount equal to the increase in the rental value of the holding attributable to the carrying out of the improvement:

Provided that where any grant has been made to the landlord in respect of the improvement out of moneys provided by Parliament, the increase in rent provided for by the foregoing provisions of this subsection shall be reduced proportionately.

(2) No increase of rent shall be made under the foregoing subsection if before the first day of November, nineteen hundred and forty-eight, the landlord and the tenant agreed on any increase in rent or other benefit to the landlord in respect of the improvement, or if before that day any sum became payable under subsection (3) of section three of the Agricultural Holdings (Scotland) Act, 1923, or section nine of the Agriculture (Miscellaneous Provisions) Act, 1943, or section nine of the Hill Farming Act, 1946, in respect of the cost of executing it.

(3) Where interest on the cost of works for the supply of water, or rent in respect of such an improvement as is mentioned in paragraph (*d*) of subsection (1) of this section, became payable under the provisions of section nine of the Agriculture (Miscellaneous Provisions) Act, 1943, or of subsection (3) of section nine of the Hill Farming Act, 1946, as the case may be, before the first day of November, nineteen hundred and forty-eight, or became payable under the said provisions after that day by virtue of an agreement between the landlord and the tenant entered into before that day, it shall continue to be recoverable notwithstanding that the said provisions are by virtue of the Agriculture (Scotland) Act, 1948, no longer in force.

(4) Any question arising between the landlord and the tenant of the holding under this section shall be determined by arbitration.

(5) In this section the expression "Agricultural Executive Committee" means the Agricultural Executive Committee for any area to whom the Secretary of State has delegated any of his powers under Defence Regulations.

Variation of terms of tenancy as to permanent pasture.

9. Where under the lease of an agricultural holding, whether entered into before or after the commencement of this Act, provision is made for the maintenance of specified land, or a specified proportion of the holding, as permanent pasture, and it appears to the Secretary of State, either on the application of the landlord or the tenant or otherwise,—

(*a*) that it is expedient in order to secure the full and efficient farming of the holding that the amount of land required to be maintained as permanent pasture should be reduced, and

(*b*) where there has been an application under this section by the landlord or the tenant, that the landlord or the tenant has requested his tenant or his landlord to agree to the appropriate reduction but no agreement has been reached thereon,

the Secretary of State, after affording to the landlord and to the tenant an opportunity of making representations to the Secretary of State, whether in writing or on being heard by a person appointed by the Secretary of State, may—

(i) direct that the lease shall have effect subject to such modifications of the provisions thereof as to the land which is to be maintained as permanent pasture or is to be treated as arable land, and as to cropping, as appear to the Secretary of State expedient as aforesaid and are specified in the direction; and

(ii) if he gives a direction reducing the area of land which under the lease is to be maintained as permanent pasture, order that the lease shall have effect as if it provided that on quitting the holding on the termination of the tenancy the tenant should leave as permanent pasture, or should leave as temporary pasture sown with a seeds mixture of such kind as may be specified in the order, such area of land (in addition to the land required by the lease, as modified by the direction, to be maintained as permanent pasture) as may be so specified, so however that the area required to be left as aforesaid shall not exceed the area by which the land required by the lease to be maintained as permanent pasture has been reduced by virtue of the direction.

10. The lease of an agricultural holding shall not be deemed to have been brought to an end, and accordingly neither the landlord nor the tenant of the holding shall be entitled to bring proceedings to terminate the lease or, except with the consent of the other party, to treat it as at an end, by reason only that any new term has been added to the lease or that any of the terms of the lease (including the rent payable thereunder) have been varied or revised in pursuance of any of the foregoing provisions of this Act in that behalf. Leases to continue in force notwithstanding variation of terms, etc.

Miscellaneous provisions affecting the relationship of landlord and tenant.

11.—(1) Subject to the provisions of this section, any agreement made after the first day of November, nineteen hundred and forty-eight, by the incoming tenant of an agricultural holding with his landlord whereby the incoming tenant undertakes to pay to an outgoing tenant any compensation payable by the landlord under or in pursuance of this Act or the Agricultural Holdings (Scotland) Acts, 1923 to 1948, in respect of improvements or to refund to the landlord any compensation payable as aforesaid which has been paid by the landlord to an outgoing tenant, shall be null and void. Certain agreements by incoming tenant to pay compensation due to outgoing tenant to be void.

(2) This section shall not apply to an agreement in writing entered into by the incoming tenant of a holding with his landlord whereby the incoming tenant undertakes to pay to an outgoing tenant, up to such maximum amount as may be specified in the agreement, any compensation payable by the landlord under or in pursuance of this Act or the Agricultural Holdings (Scotland) Acts, 1923 to 1948, in respect of the whole or part of any improvement of the kind specified in Part III of the First Schedule to this Act, or to refund to the landlord, up to such maximum amount as aforesaid, any compensation so payable which has been paid by the landlord to an outgoing tenant.

12.—(1) Subject to the provisions of this section, the tenant of an agricultural holding shall, notwithstanding any custom of the country or the provisions of any lease or of any agreement respecting the disposal of crops or the method of cropping of arable lands, have full right, without incurring any penalty, forfeiture or liability,— Freedom of cropping and disposal of produce.

(*a*) to dispose of the produce of the holding, other than manure produced thereon;

(*b*) to practise any system of cropping of the arable land on the holding:

Provided that this subsection shall not have effect unless, before exercising his rights thereunder or as soon as may be after exercising them, the tenant makes suitable and adequate provision, in the case of an exercise of the right to dispose of produce, to return to the holding the full equivalent manurial value to the

holding of all crops sold off or removed from the holding in contravention of the custom, contract or agreement, and, in the case of an exercise of the right to practise any system of cropping, to protect the holding from injury or deterioration.

(2) If the tenant of an agricultural holding exercises his rights under the foregoing subsection in such a manner as to injure or deteriorate, or to be likely to injure or deteriorate, the holding, the landlord shall have the following remedies, but no other, that is to say,—

(*a*) should the case so require, he shall be entitled to obtain an interdict restraining the exercise of the tenant's rights under that subsection in that manner;

(*b*) in any case, on the tenant quitting the holding on the termination of the tenancy the landlord shall be entitled to recover damages for any injury to or deterioration of the holding attributable to the exercise by the tenant of his rights under that subsection.

(3) For the purposes of any proceedings for an interdict brought under the last foregoing subsection, the question whether a tenant is exercising, or has exercised, his rights under subsection (1) of this section in such a manner as to injure or deteriorate his holding, or to be likely to injure or deteriorate his holding, shall be determined by the Secretary of State after affording to the landlord and to the tenant an opportunity to make representations to the Secretary of State, whether in writing or on being heard by a person appointed by the Secretary of State; and a certificate of the Secretary of State as to his determination of any such question as aforesaid shall, for the purposes of any proceedings (including an arbitration) brought under this section, be conclusive proof of the facts stated in the certificate.

(4) Subsection (1) of this section shall not apply—

(*a*) in the case of a tenancy from year to year, as respects the year before the tenant quits the holding or any period after he has given or received notice to quit which results in his quitting the holding; or

(*b*) in any other case, as respects the year before the expiration of the lease.

(5) In this section the expression "arable land" does not include land in grass which, by the terms of a lease, is to be retained in the same condition throughout the tenancy.

In this subsection any reference to the terms of a lease shall, in a case where the Secretary of State has directed under section twelve of the Agriculture (Scotland) Act, 1948, or under section nine of this Act that the lease shall have effect subject to modifications, be construed as a reference to the terms of the lease as so modified.

Prohibition of removal of manure, etc., after notice to terminate the tenancy.

13. Where notice to terminate the tenancy of an agricultural holding is given, either by the tenant or by the landlord, the tenant shall not, subject to any agreement to the contrary, at any time after the date of the notice, sell or remove from the holding any manure or compost, or any hay or straw or roots grown in the last year of the tenancy, unless and until he has given the landlord or the incoming tenant a reasonable opportunity of agreeing to purchase on the termination of the tenancy at their fair market value, or at such other value as is provided by the lease, the said manure, compost, hay, straw or roots.

Tenant's right to remove fixtures and buildings.

14.—(1) Subject to the provisions of this section—

(*a*) any engine, machinery, fencing or other fixture affixed to an agricultural holding by the tenant thereof; and

(*b*) any building (other than one in respect of which the tenant is entitled to compensation under this Act or otherwise) erected by him on the holding;

not being a fixture affixed or, as the case may be, a building erected, in pursuance of some obligation in that behalf or instead of some fixture or building belonging to the landlord, as the case may be, shall be removable by the tenant at any time during the continuance of the tenancy or before the expiration of six months, or such longer period as may be agreed, from the termination of the tenancy and shall remain his property so long as he may remove it by virtue of this subsection.

(2) The right conferred by the foregoing subsection shall not be exercisable in relation to a fixture or building unless the tenant—

(*a*) has paid all rent owing by him and has performed or satisfied all his other obligations to the landlord in respect of the holding; and

(*b*) has, at least one month before both the exercise of the right and the termination of the tenancy, given to the landlord notice in writing of his intention to remove the fixture or building.

(3) If, before the expiration of the notice aforesaid, the landlord gives to the tenant a counter-notice in writing electing to purchase a fixture or building comprised in the notice, subsection (1) of this section shall cease to apply to that fixture or building, but the landlord shall be liable to pay to the tenant the fair value thereof to an incoming tenant of the holding.

(4) In the removal of a fixture or building by virtue of subsection (1) of this section, the tenant shall not do to any other building or other part of the holding any avoidable damage, and immediately after the removal shall make good all damage so done that is occasioned by the removal.

Compensation for damage by game.

15.—(1) Subject to the provisions of this section, where the tenant of an agricultural holding has sustained damage to his crops from game, the right to kill and take which is vested neither in him nor in anyone claiming under him other than the landlord, and which the tenant has not permission in writing to kill, he shall be entitled to compensation from his landlord for the damage if it exceeds in amount the sum of one shilling per acre of the area over which it extends:

Provided that compensation shall not be recoverable under this section unless—

(*a*) notice in writing is given to the landlord as soon as may be after the damage was first observed by the tenant, and a reasonable opportunity is given to the landlord to inspect the damage—

(i) in the case of damage to a growing crop, before the crop is begun to be reaped, raised or consumed; and

(ii) in the case of damage to a crop reaped or raised, before the crop is begun to be removed from the land; and

(*b*) notice in writing of the claim, together with the particulars thereof, is given to the landlord within one month after the expiration of the calendar year, or such other period of twelve months as by agreement between the landlord and the tenant may be substituted therefor, in respect of which the claim is made.

(2) The amount of compensation payable under this section shall, in default of agreement made after the damage has been suffered, be determined by arbitration.

(3) Where the right to kill and take the game is vested in some person other than the landlord, the landlord shall be entitled to be indemnified by that other person against all claims for compensation under this section; and any question arising under the foregoing provisions of this subsection shall be determined by arbitration.

(4) In this section the expression "game" means deer, pheasants, partridges, grouse and black game.

Restriction of landlord's right to penal rent or liquidated damages.

16. Notwithstanding any provision in a lease of an agricultural holding making the tenant thereof liable to pay a higher rent or other liquidated damages in the event of a breach or non-fulfilment of any of the terms or conditions in the lease, the landlord shall not be entitled to recover any sum in consequence of any breach or non-fulfilment in excess of the damage actually suffered by him in consequence of the breach or non-fulfilment.

Making of record of condition, etc., of holding.

17.—(1) The landlord or the tenant of an agricultural holding may, at any time during the tenancy, require the making of a record of the condition of the fixed equipment on, and of the cultivation of, the holding; and the tenant may, at any time during the tenancy, require the making of a record of—

(*a*) existing improvements carried out by him or in respect of the carrying out of which he has, with the consent in writing of his landlord, paid compensation to an outgoing tenant; and

(*b*) any fixtures or buildings which, under section fourteen of this Act, he is entitled to remove.

(2) Any record under this section shall be made by a person to be appointed by the Secretary of State, and shall be in such form as may be prescribed.

(3) The cost of making a record under this section shall, in default of agreement between the landlord and the tenant, be borne by them in equal shares.

(4) Any record made under this section shall show any consideration or allowances which have been made by the landlord to the tenant or by the tenant to the landlord.

(5) Subject to the provisions of section five of this Act, a record may, if the landlord or the tenant so requires, be made under this section relating to a part only of the holding or to the fixed equipment only.

(6) Any question or difference between the landlord and the tenant arising out of the making of a record under this section shall, on the application of the landlord or the tenant, as the case may be, be referred to the Land Court, and the Land Court shall determine such question or difference accordingly.

(7) The remuneration of the person appointed by the Secretary of State to make a record under this section shall be such amount as the Secretary of State may fix, and any other expenses of and incidental to the making of the record shall be subject to taxation by the auditor of the sheriff court, but that taxation shall be subject to review by the sheriff.

(8) The remuneration of the person appointed by the Secretary of State to make a record under this section shall be recoverable by that person from either the landlord or the tenant, but any amount paid by either of those parties in respect of that remuneration, or of any other expenses of and incidental to the making of the record, in excess of the share payable by him as aforesaid of the cost of making the record shall be recoverable by him from the other party.

Power of landlord to enter on holding.

18. The landlord of an agricultural holding or any person authorised by him may at all reasonable times enter on the holding for any of the following purposes, that is to say—

(*a*) viewing the state of the holding;

(*b*) fulfilling the landlord's responsibilities to manage the holding in accordance with the rules of good estate management;

(*c*) providing, improving, replacing or renewing fixed equipment on the holding otherwise than in fulfilment of his said responsibilities.

Removal of tenant for non-payment of rent.

19.—(1) When six months' rent of an agricultural holding is due and unpaid, the landlord shall be entitled to raise an action of removing in the sheriff court against the tenant, concluding for his removal from the holding at the term of Whitsunday or Martinmas next ensuing after the action is raised, and the sheriff may, unless the arrears of rent then due are paid or caution is found to his satisfaction for them, and for one year's rent further, decern the tenant to remove, and may eject him at the said term in like manner as if the lease were determined and the tenant had been legally warned to remove.

(2) A tenant of a holding removed under the foregoing subsection shall have the rights of an outgoing tenant to which he would have been entitled if his tenancy had terminated naturally at the term of Whitsunday or Martinmas aforesaid.

(3) The provisions of section five of chapter XV of Book L of the Codifying Act of Sederunt of the fourteenth day of June, nineteen hundred and thirteen, anent removings shall not apply in any case where the procedure under this section is competent.

Bequest of lease.

20.—(1) Subject to the provisions of this section, the tenant of an agricultural holding may, by will or other testamentary writing, bequeath his lease of the holding to any person.

(2) A person to whom the lease of a holding is bequeathed as aforesaid (in this section referred to as "the legatee") shall, if he accepts the bequest, give notice of the bequest to the landlord of the holding within twenty-one days after the death of the tenant, or, if he is prevented by some unavoidable cause from giving such notice within that period, as soon as possible thereafter. The giving of such notice shall import acceptance of the lease and, unless the landlord gives a counter-notice under the next following subsection, the lease shall be binding on the landlord and on the legatee, as landlord and tenant respectively, as from the date of the death of the deceased tenant.

(3) Where notice as aforesaid has been given to the landlord he may within one month after the giving of the notice give to the legatee a counter-notice intimating that he objects to receive him as tenant under the lease.

(4) If the landlord gives a counter-notice under the last foregoing subsection, the legatee may make application to the Land Court for an order declaring him to be tenant under the lease as from the date of the death of the deceased tenant.

(5) If, on the hearing of such application, any reasonable ground of objection stated by the landlord is established to the satisfaction of the Land Court, they shall declare the bequest to be null and void, but in any other case they shall make an order in terms of the application.

(6) Pending any proceedings under this section, the legatee shall, unless the Land Court on cause shown otherwise direct, have possession of the holding.

(7) If the legatee does not accept the bequest, or if the bequest is declared null and void as aforesaid, the right to the lease shall devolve upon the heir-at-law of the tenant as if the bequest had not been made.

Right of landlord to object to heir-at-law of tenant succeeding to holding.

21.—(1) Within three months after the right to the lease of an agricultural holding devolves upon the heir-at-law of the tenant the landlord, if he objects to receive the heir-at-law as tenant under the lease, may make application to the Land Court for an order terminating the interest of the heir-at-law in the holding.

(2) If on the hearing of such application any reasonable ground of objection is established to the satisfaction of the Land Court, they shall make an order terminating the interest of the heir-at-law in, and requiring him to give up his occupation of, the holding.

(3) The termination of the interest of the heir-at-law under this section shall be treated, for the purposes of the provisions of this Act with respect to compensation, as the termination of his tenancy of the holding; but nothing in this section shall be construed as entitling him to any compensation for disturbance.

(4) The Land Court may, on cause shown, direct that while proceedings are pending under this section the heir-at-law shall not have possession of the holding.

Provisions as to payment for implements, etc. sold on quitting holding.

22.—(1) Where a tenant of an agricultural holding has entered into an agreement, or it is a term of the lease of the holding, that the tenant will, on quitting the holding, sell to the landlord or to the incoming tenant any implements of husbandry, fixtures, farm produce or farm stock on, or used in connection with, the holding, it shall be deemed, notwithstanding anything in the agreement or in the lease to the contrary, to be a condition of the agreement or of the lease, as the case may be, that the property in the goods shall not pass to the buyer until the price is paid and that payment of the price shall be made within one month after the tenant has quitted the holding or, if the price of the goods is to be ascertained by a valuation, within one month after the delivery of the award in the valuation.

(2) Where payment of the price is not made within one month as aforesaid the outgoing tenant shall be entitled to sell or remove the goods and to receive from the landlord or the incoming tenant, as the case may be, by whom the price was payable, compensation of an amount equal to any loss or expense unavoidably incurred by the outgoing tenant upon or in connection with such sale or removal, together with any expenses reasonably incurred by him in the preparation of his claim for compensation.

(3) Any question arising as to the amount of compensation payable under the last foregoing subsection shall be determined by arbitration.

Application of sums recovered under fire insurance policy.

23. Where the tenant of an agricultural holding is liable in payment of the whole or any part of the premium due under a fire insurance policy in the name of the landlord over any buildings or other subjects included in the lease of the holding and the landlord recovers any sum under such policy in respect of the destruction of, or damage to, the buildings or other subjects by fire, he shall be bound, unless the tenant otherwise agrees, to expend such sum on the rebuilding, repair, or restoration of the buildings or subjects so destroyed or damaged in such manner as may be agreed or as may be determined, failing agreement, by the Secretary of State.

Provisions as to notices to quit

Provisions as to giving of notices to quit.

24.—(1) Notwithstanding the termination of the stipulated endurance of any lease of an agricultural holding, the tenancy shall not come to an end unless, not less than one year nor more than two years before the termination of the lease, written notice has been given by either party to the other of his intention to bring the tenancy to an end.

The provisions of this subsection shall have effect notwithstanding any agreement or any provision in the lease to the contrary.

(2) In the case of a lease continued in force by tacit relocation the period of notice required to terminate the tenancy shall be not less than one year nor more than two years.

(3) The provisions of the Sheriff Courts (Scotland) Act, 1907, relating to removings shall, in the case of an agricultural holding to which this section applies, have effect subject to the provisions of this section.

(4) Notice by the landlord to the tenant under this section shall be given either—

(*a*) in the same manner as notice of removal under section six of the Removal Terms (Scotland) Act, 1886; or

(*b*) in the form and manner prescribed by the Sheriff Courts (Scotland) Act, 1907;

and such notice shall come in place of the notice required by the said Act of 1907.

(5) Nothing in this section shall affect the right of the landlord of an agricultural holding to remove a tenant whose estate has been sequestrated under the Bankruptcy (Scotland) Act, 1913, or who by failure to pay rent or otherwise has incurred any irritancy of his lease or other liability to be removed.

(6) The provisions of this section relative to notice shall not apply—

(*a*) to a notice given in pursuance of a stipulation in a lease entitling the landlord to resume land for building, planting, feuing or other purposes; or

(*b*) to subjects let under a lease for any period less than a year, not being a lease which by virtue of section two of this Act takes effect as a lease from year to year.

Restrictions on operation of notices to quit.

25.—(1) Where notice to quit an agricultural holding or part of an agricultural holding is given to the tenant thereof, and not later than one month from the giving of the notice to quit the tenant serves on the landlord a counter-notice in writing requiring that this subsection shall apply to the notice to quit, then, subject to the provisions of the next following subsection, the notice to quit shall not have effect unless the Secretary of State consents to the operation thereof.

(2) The foregoing subsection shall not apply where—

(*a*) the Secretary of State has consented under this section to the operation of the notice to quit before the giving thereof, and that fact is stated in the notice;

(*b*) the notice to quit relates to land being permanent pasture which the landlord has been in the habit of letting annually for seasonal grazing or of keeping in his own occupation and which has been let to the tenant for a definite and limited period for cultivation as arable land on the condition that he shall, along with the last or waygoing crop, sow permanent grass seeds;

(*c*) the notice to quit is given on the ground that the land is required for a use, other than for agriculture, for which permission has been granted on an application made under the enactments relating to town and country planning, or for which (otherwise than by virtue of any provision of those enactments) such permission is not required, and that fact is stated in the notice;

(*d*) the Secretary of State, on an application in that behalf made to him not more than nine months before the giving of the notice to quit, was satisfied in relation to the holding that the tenant was not fulfilling his responsibilities to farm in accordance with the rules of good husbandry, and certified that he was so satisfied, and that fact is stated in the notice;

(*e*) at the date of the giving of the notice to quit the tenant had failed to comply with a demand in writing served on him by the landlord requiring him within two months from the service of the demand to pay any rent due in respect of the holding, or within a reasonable time to remedy any breach by the tenant, which was capable of being remedied, of any term or condition of his tenancy which was not inconsistent with the fulfilment of his responsibilities to farm in accordance with the rules of good husbandry, and it is stated in the notice that it is given by reason of the matter aforesaid;

(*f*) at the date of the giving of the notice to quit the interest of the landlord in the holding had been materially prejudiced by the commission by the tenant of a breach, which was not capable of being remedied in reasonable time and at economic cost, of any term or condition of the tenancy which was not inconsistent with the fulfilment by the tenant of his responsibilities to farm in accordance with the rules of good husbandry, and it is stated in the notice that it is given by reason of the matter aforesaid;

(*g*) at the date of the giving of the notice to quit the tenant was a person who had become notour bankrupt or had executed a trust deed for behoof of his creditors, and it is stated in the notice that it is given by reason of the matter aforesaid.

(3) Nothing in this section shall apply to a notice to terminate a tenancy of an agricultural holding subsisting under a lease in writing entered into before the fifteenth day of May, nineteen hundred and forty-seven, where—

(*a*) immediately before the creation of the tenancy the holding had been for a period of not less than twelve months in the occupation of the landlord; and

(*b*) the holding is let upon the express terms that, if the landlord desires to resume that occupation before the expiration of a specified period not exceeding seven years, the landlord shall be entitled to give notice to quit without becoming liable to pay to the tenant any compensation for disturbance; and

(*c*) the notice to terminate the tenancy is given so as to enable the landlord to resume occupation of the holding within the specified period.

Provisions as to consents for purposes of preceding section.

26.—(1) Without prejudice to the discretion of the Secretary of State in a case falling within paragraphs (*a*) to (*e*) of this subsection, the Secretary of State shall withhold his consent under the last foregoing section to the operation of a notice to quit

an agricultural holding or part of an agricultural holding unless he is satisfied—

(*a*) that the carrying out of the purpose for which the landlord proposes to terminate the tenancy is desirable in the interests of efficient farming, whether as respects good estate management or good husbandry or otherwise; or

(*b*) that the carrying out thereof is otherwise desirable for the purposes of agricultural research, education, experiment or demonstration or for the purposes of the enactments relating to smallholdings or such holdings as are mentioned in section sixty-four of the Agriculture (Scotland) Act, 1948, or allotments; or

(*c*) where the tenancy was created on or after the thirteenth day of July, nineteen hundred and forty-eight, that the landlord proposes to terminate the tenancy for a purpose, specified in the lease, for which the interest of the landlord was held immediately before the creation of the tenancy, and that greater hardship would be caused by the Secretary of State's withholding than by his granting his consent to the operation of the notice; or

(*d*) where the tenancy was created before the said thirteenth day of July, and the same person was landlord at the beginning of that day as at the time when the notice to quit was given or, if the application for the consent of the Secretary of State is made before giving the notice to quit, at the time of the application, that greater hardship would be caused by the Secretary of State's withholding than by his granting his consent to the operation of the notice; or

(*e*) that the landlord proposes to terminate the tenancy for the purpose of the land being used for a use, other than for agriculture, not falling within paragraph (*c*) of subsection (2) of the last foregoing section.

(2) The Secretary of State shall not give or withhold his consent under the last foregoing section to the operation of a notice to quit an agricultural holding or part of an agricultural holding except after affording to the landlord and to the tenant an opportunity of making representations to the Secretary of State, whether in writing or on being heard by a person appointed by the Secretary of State.

(3) Forthwith after the giving or withholding of his consent as aforesaid the Secretary of State shall give notice thereof in writing to the landlord and to the tenant.

(4) If the landlord or the tenant is dissatisfied with the Secretary of State's decision to withhold or to give his consent as aforesaid, the landlord or the tenant may, within twenty-one days after notice has been given to him under the last foregoing subsection, appeal to the Land Court against the decision;

and, where an appeal has been so taken, subsection (1), and paragraph (*a*) of subsection (2), of the last foregoing section and subsection (1) of this section shall have effect with the substitution (except in so much of paragraph (*d*) of subsection (1) of this section as relates to the application for the consent of the Secretary of State) for references to the Secretary of State of references to the Land Court.

(5) Where the Secretary of State or the Land Court consents under the last foregoing section to the operation of a notice to quit the Secretary of State or the Court may impose such conditions as appear to the Secretary of State or the Court requisite for securing that the land to which the notice relates will be used for the purpose for which the landlord proposes to terminate the tenancy.

(6) Where, on an application by the landlord in that behalf, the Secretary of State is satisfied that by reason of any change of circumstances or otherwise any condition imposed under the last foregoing subsection ought to be varied or revoked, he shall vary or revoke the condition accordingly.

Provisions supplementary to s. 25 and s. 26.

27.—(1) The Secretary of State may make regulations—

(*a*) for requiring any question arising under subsection (2) of section twenty-five of this Act to be determined by arbitration under this Act, for limiting the time within which any such arbitration may be required or any proceedings for the purposes thereof may be taken, and for extending the period within which a counter-notice may be given by the tenant under subsection (1) of that section where any such arbitration is required;

(*b*) as to the time within which and the manner in which applications for the Secretary of State's consent to the operation of notices to quit may be made under the said section twenty-five;

(*c*) for suspending the operation of notices to quit until the issue of the arbiter's award or the decision of the Land Court under the last foregoing section;

(*d*) for postponing the date at which a tenancy is to be terminated by a notice to quit which has effect in consequence of any such award or decision as aforesaid;

(*e*) for excluding the application of subsection (1) of the said section twenty-five in relation to sub-tenancies in such cases as may be prescribed, and for making such provision as appears to the Secretary of State expedient for the purpose of safeguarding the interests of sub-tenants, including provision enabling the Secretary of State or the Land Court, where the interest of a tenant is terminated by notice to quit, to secure that a sub-tenant will hold from the landlord on the like terms as he held from the tenant.

(2) The power conferred on the Secretary of State by this section shall be exercisable by statutory instrument, which shall be subject to annulment in pursuance of a resolution of either House of Parliament.

Applications for certificates of bad husbandry.

28.—(1) For the purposes of paragraph (*d*) of subsection (2) of section twenty-five of this Act, the landlord of an agricultural holding may, in the prescribed manner and after giving notice in writing to the tenant of the holding of the proposed application, apply to the Secretary of State for a certificate that the tenant is not fulfilling his responsibilities to farm in accordance with the rules of good husbandry:

Provided that such an application shall not be made at any time while a warning notice is in force under section twenty-seven of the Agriculture (Scotland) Act, 1948 (whether served in pursuance of that section or of this section) in relation to the tenant's farming of the holding.

(2) Where such an application is made the Secretary of State shall, after affording to the landlord and to the tenant an opportunity of making representations to the Secretary of State, whether in writing or on being heard by a person appointed by the Secretary of State, either—

(*a*) give notice in writing to the landlord and to the tenant that he proposes to grant or to refuse the certificate, or

(*b*) serve a warning notice under section twenty-seven of the Agriculture (Scotland) Act, 1948, on the tenant in relation to the farming of the holding to which the application relates;

and if before the expiration of the prescribed period from the making of the application the Secretary of State has not given or served one or other of such notices as aforesaid, he shall be deemed to have given notice in writing to the landlord and to the tenant that he proposes to refuse the certificate.

(3) Within one month of notice of a proposal being given or being deemed to have been given under the last foregoing subsection the landlord may require that the Secretary of State's proposal to refuse a certificate shall be referred to the Land Court or the tenant may require that the Secretary of State's proposal to grant a certificate shall be so referred.

(4) Where a holding forms part only of an agricultural unit, an opportunity of making representations shall be afforded under subsection (2) of this section to every person who for any of the purposes of Part II of the Agriculture (Scotland) Act, 1948, is the owner of land comprised in the unit, and paragraph (*b*) of that subsection shall have effect with the substitution for the reference to the holding of a reference to the unit.

Prevention of deterioration of holding after grant of certificate of bad husbandry.

29.—(1) If, while a certificate under paragraph (*d*) of subsection (2) of section twenty-five of this Act is in force, the landlord within nine months from the application for the certificate gives notice to quit to the tenant, the Secretary of State shall have power, after affording to the tenant an opportunity of making representations to the Secretary of State, whether in writing or on being heard by a person appointed by the Secretary of State, to give to the tenant by notice in writing such directions as appear to the Secretary of State necessary for securing that the holding shall not further deteriorate before the determination of the tenancy.

(2) Where the tenant contravenes or fails to comply with a direction given under the foregoing subsection—

(*a*) he shall be liable on summary conviction to a fine not exceeding one hundred pounds; and

(*b*) the Secretary of State may order that the tenancy shall terminate by virtue of the notice to quit at such date earlier than the date specified in that notice as may be specified in the order, being a date not less than three months later than the service on the tenant of notice in writing of the making of the order, and such order shall provide for the reference to arbitration under this Act of any question or difference arising between the landlord and the tenant by reason of the earlier termination of the tenancy.

(3) Without prejudice to the bringing of proceedings under the last foregoing subsection, where a direction under this section to carry out any work is not complied with and the Secretary of State is satisfied that an adequate opportunity has been afforded to the tenant to carry out the direction, any person authorised by the Secretary of State in that behalf may enter upon the land to which the direction relates and any other land farmed in conjunction therewith, and carry out the work required by the direction; and the reasonable cost of carrying out work in the exercise of powers conferred by this subsection shall be recoverable by the Secretary of State from the tenant.

Any question arising under this subsection as to what is the reasonable cost of any work shall be determined by an arbiter appointed, in default of agreement, in accordance with the provisions of this Act.

(4) Any person who obstructs a person acting in the exercise of powers conferred by the last foregoing subsection shall be liable on summary conviction to imprisonment for a term not exceeding three months or to a fine not exceeding one hundred pounds or to both such imprisonment and such fine.

(5) Where a direction under this section provides for the doing of anything within a specified time and (whether before or after the expiration of the said time) the Secretary of State is satisfied

that it is reasonable that the said time should be extended, he may extend it accordingly.

(6) Without prejudice to the general provisions of this Act as to the service of notices, a notice under subsection (1) of this section giving directions shall, where an agent or servant of the tenant is responsible for the control of the farming of the holding, be duly served if served on that agent or servant.

Provisions as to breach of condition attached to consent to operation of notice to quit.

30.—(1) If the Secretary of State is satisfied that, within a reasonable time after a notice to quit an agricultural holding or part of an agricultural holding has expired, any condition imposed under subsection (5) of section twenty-six of this Act in connection with consent to the operation of the notice has not been complied with, the Secretary of State may take possession of the land for the purpose of farming it, and—

(*a*) on the Secretary of State taking possession of the land any tenancy thereof granted without the approval of the Secretary of State and since the imposition of the condition shall be deemed to have terminated by reason of a notice to quit duly given by the landlord, and

(*b*) the Secretary of State may by order require the tenant whose tenancy is deemed to have terminated as aforesaid to give up his occupation of the land.

A certified copy of an order under this subsection requiring a tenant to give up his occupation of any land shall be a sufficient warrant for ejection against the tenant or any party in his right in the event of non-compliance with such order.

(2) While the Secretary of State is in possession of land under this section it shall be his duty to secure that it is farmed in accordance with the rules of good husbandry either—

(*a*) by a person acting under the direction of the Secretary of State, or

(*b*) by a person entrusted by the Secretary of State with the farming thereof on such terms, being terms which in the opinion of the Secretary of State would be appropriate to a letting thereof to a tenant from year to year, as may be agreed between the Secretary of State and the said person;

and subject to the provisions of this section the Secretary of State and the person who, apart from any tenancy deemed to have terminated under paragraph (*a*) of subsection (1) of this section, for the time being would be entitled to possession of the land but for the exercise by the Secretary of State of his powers under this section (hereafter in this section referred to as "the owner") shall have the like rights against and liabilities to each other as if the Secretary of State were a tenant of the land under a tenancy from year to year beginning on the date on which the Secretary of State took possession of the

land and granted by the owner under a lease containing such provisions (other than provisions as to rent or any such payment as is mentioned in the next following subsection) as may be agreed between the Secretary of State and the owner, and providing for the making of payments by the Secretary of State of such amounts at such times as a tenant under such a lease might reasonably be expected to make by way of rent.

(3) On the Secretary of State taking possession of land under this section there shall be ascertained—

(*a*) the amount (if any) in addition to rent which might reasonably have been expected to be payable by an incoming tenant, under the lease referred to in the last foregoing subsection, in respect of things previously done for the purposes of the farming of the land, and in respect of seeds, tillages, growing crops and other matters;

(*b*) the cost of the carrying out of any work which under the rules of good husbandry or under the lease ought to have been carried out on the land by the occupier before the Secretary of State took possession thereof, being work which is necessary for putting the land into good tenantable condition;

and if the said amount is greater than the said cost the difference shall be recoverable from the Secretary of State by the owner, and if less the difference shall be recoverable from the owner by the Secretary of State.

(4) Where the Secretary of State has taken possession of land under this section, the owner shall, without prejudice to his responsibilities under the rules of good estate management, be liable to the Secretary of State to carry out any work which under the lease with the tenant to whom notice to quit was given he was liable to carry out, being work which is necessary for putting the land into good tenantable condition; and any such liability shall be enforceable by the Secretary of State in like manner as if it were imposed by the lease referred to in subsection (2) of this section.

(5) The Secretary of State shall be entitled to continue in possession of land under this section—

(*a*) where it is being farmed by a person acting under the direction of the Secretary of State, and it is shown to the Secretary of State that the owner has made arrangements satisfactory to the Secretary of State for the farming of the land by himself or by a person approved by the Secretary of State, until the next twenty-eighth day of May or twenty-eighth day of November as may be specified in a notice in writing served on the Secretary of State by the owner not later than two months before the said day;

(*b*) where it is being farmed by a person to whom the Secretary of State has entrusted the farming thereof, until that person is entitled to possession of the land as tenant thereof under an agreement with the owner approved by the Secretary of State.

(6) Nothing in subsection (2) of this section shall entitle the Secretary of State, on giving up possession of land, to compensation for disturbance; but save as aforesaid that subsection shall apply as if when the Secretary of State gives up possession he were quitting the land on the termination of the tenancy referred to in that subsection by notice to quit duly given by the owner.

(7) The enactments relating to income tax, and in particular such of those enactments as relate to the deduction of tax from rent and to the taxation of excess rents, shall apply—

(*a*) in relation to payments made under subsection (2) of this section by the Secretary of State to the owner, as if the Secretary of State were a tenant and the owner were a lessor of the land under such a lease as is mentioned in the said subsection (2) and the payments were rent paid thereunder;

(*b*) in relation to payments made by any such person as is mentioned in paragraph (*b*) of that subsection to the Secretary of State, as if the said person were a tenant and the Secretary of State were a lessor of the land under such a letting as is mentioned in the said paragraph (*b*) and the payments were rent paid thereunder.

(8) Any question arising under subsections (2) to (6) of this section between the Secretary of State and the owner shall, in default of agreement, be determined by arbitration.

Provisions as to notices to quit where holding agreed to be sold.

31.—(1) The provisions of the two following subsections shall have effect where, after the commencement of this Act, notice to quit land being or comprised in an agricultural holding has been given to the tenant and at any time while the notice is current a contract is made for the sale of the landlord's interest in the land or any part thereof.

(2) Unless within the period of three months ending with the making of the contract the landlord and the tenant have agreed in writing whether on the making of such a contract the notice shall continue in force or be of no effect,—

(*a*) the landlord shall, within the period of fourteen days from the making of the contract, or, where the notice to quit expires within the last mentioned period, before the expiration of the notice to quit, give notice in writing to the tenant of the making of the contract, and

(*b*) the tenant may before the expiration of the notice to quit notify the landlord in writing that the tenant elects that the notice to quit shall continue in force, so however that the tenant shall not give a notification under this paragraph after the expiration of one month from the receipt by him of a notice under the last foregoing paragraph of the making of the contract.

(3) In default of any such agreement or notification as aforesaid the notice to quit shall be of no effect unless the landlord has failed duly to give notice of the making of the contract and the tenant quits the holding in consequence of the notice to quit.

(4) A notice to quit shall not be invalid by reason only that under any such agreement as aforesaid the operation of the notice is conditional.

Notices to quit part of holdings not to be invalid in certain cases.

32.—(1) A notice to quit part of an agricultural holding held on a tenancy from year to year given by the landlord of the holding shall not be invalid on the ground that it relates to part only of the holding if it is given—

(*a*) for the purpose of adjusting the boundaries between agricultural units or amalgamating agricultural units or parts thereof, or

(*b*) with a view to the use of the land to which the notice relates for any of the purposes mentioned in the following subsection,

and the notice states that it is given for that purpose or with a view to any such use, as the case may be.

(2) The purposes referred to in paragraph (*b*) of the foregoing subsection are the following, that is to say—

(*a*) the erection of farm labourers' cottages or other houses with or without gardens;

(*b*) the provision of gardens for farm labourers' cottages or other houses;

(*c*) the provision of allotments;

(*d*) the provision of small holdings under the Small Landholders (Scotland) Acts, 1886 to 1931, or of such holdings as are mentioned in section sixty-four of the Agriculture (Scotland) Act, 1948;

(*e*) the planting of trees;

(*f*) the opening or working of any coal, ironstone, limestone, brick-earth, or other mineral, or of a stone quarry, clay, sand, or gravel pit, or the construction of any works or buildings to be used in connection therewith;

(*g*) the making of a watercourse or reservoir;

(*h*) the making of any road, railway, tramroad, siding, canal or basin, or any wharf, pier, or other work connected therewith.

Tenant's right to treat notice to quit part of holding as notice to quit entire holding.

33. Where there is given to the tenant of an agricultural holding a notice to quit part of the holding, being such a notice as is rendered valid by the last foregoing section, then, if the tenant, within twenty-eight days after the giving of the notice, or, in a case where the operation of the notice depends on any proceedings under the foregoing provisions of this Act, within twenty-eight days after the time when it is determined that the notice has effect, gives to the landlord a counter-notice in writing to the effect that he accepts the notice to quit as a notice to quit the entire holding given by the landlord to take effect at the same time as the original notice, the notice to quit shall have effect accordingly.

Reduction of rent where tenant dispossessed of part of holding.

34. Where—

(*a*) the tenancy of part of an agricultural holding terminates by reason of such a notice to quit as is rendered valid by section thirty-two of this Act; or

(*b*) the landlord of an agricultural holding resumes possession of part of the holding in pursuance of a provision in that behalf contained in the lease;

the tenant shall be entitled to a reduction of rent, of an amount to be determined by arbitration, proportionate to that part of the holding and in respect of any depreciation of the value to him of the residue of the holding caused by the severance or by the use to be made of the part severed:

Provided that, in a case falling within paragraph (*b*) of this section, the arbiter, in determining the amount of the reduction, shall take into account any benefit or relief allowed to the tenant under the lease in respect of the land possession of which is resumed by the landlord.

Compensation to tenant for disturbance

Right to, and measure of, compensation for disturbance.

35.—(1) Where the tenancy of an agricultural holding terminates by reason either—

(*a*) of a notice to quit the holding given by the landlord; or

(*b*) of a counter-notice given by the tenant under section thirty-three of this Act after the giving to him of such a notice to quit as is mentioned in that section;

and in consequence of the notice or counter-notice, as the case may be, the tenant quits the holding, then, subject to the provisions of this section, compensation for the disturbance shall be payable by the landlord to the tenant in accordance with the provisions of this section:

Provided that compensation shall not be payable under this subsection where the operation of subsection (1) of section twenty-five of this Act in relation to the notice to quit the holding or part, as the case may be, is excluded by virtue of paragraph (*b*), (*d*), (*e*), (*f*) or (*g*) of subsection (2) of that section or of subsection (3) thereof.

(2) The amount of the compensation payable under this section shall be the amount of the loss or expense directly attributable to the quitting of the holding which is unavoidably incurred by the tenant upon or in connection with the sale or removal of his household goods, implements of husbandry, fixtures, farm produce or farm stock on or used in connection with the holding, and shall include any expenses reasonably incurred by him in the preparation of his claim for compensation (not being expenses of an arbitration to determine any question arising under this section):

Provided that—

(*a*) the compensation payable under this section shall be an amount equal to one year's rent of the holding at the rate at which rent was payable immediately before the termination of the tenancy without proof by the tenant of any such loss or expense as aforesaid;

(*b*) the tenant shall not be entitled to claim any greater amount than one year's rent of the holding unless he has given to the landlord not less than one month's notice of the sale of any such goods, implements, fixtures, produce or stock as aforesaid and has afforded him a reasonable opportunity of making a valuation thereof;

(*c*) the tenant shall not in any case be entitled to compensation in excess of two years' rent of the holding.

In this subsection the expression "rent" means the rent after deduction of such an amount as, failing agreement, the arbiter may find to be equivalent to the aggregate of the following amounts, that is to say—

(i) the amount payable by the landlord in respect of the holding for the year in which the tenancy was terminated by way of owners' rates or of any other public rates, taxes or assessments or other public burdens, the charging of which on the landlord would entitle him to relief in respect of tax under Rule 4 of No. V of Schedule A to the Income Tax Act, 1918; and

(ii) the amount (if any) recovered in respect of that year from the landlord in pursuance of subsection (1) of section forty-seven of the Local Government (Scotland) Act, 1929.

(3) Where the tenant of an agricultural holding has lawfully sub-let the whole or part of the holding, and in consequence of a notice to quit given by his landlord becomes liable to pay

compensation under this section to the sub-tenant, the tenant shall not be debarred from recovering compensation under this section by reason only that, owing to not being in occupation of the holding or of part of the holding, on the termination of his tenancy he does not quit the holding or that part.

(4) Where the tenancy of an agricultural holding terminates by virtue of such a counter-notice as is mentioned in paragraph (*b*) of subsection (1) of this section and—

(*a*) the part of the holding affected by the notice given by the landlord, together with any part of the holding affected by any such previous notice given by the landlord as is rendered valid by section thirty-two of this Act, is either less than one fourth part of the area of the original holding or of a rental value less than one fourth part of the rental value of the original holding, and

(*b*) the holding as proposed to be diminished is reasonably capable of being farmed as a separate holding,

compensation shall not be payable under this section except in respect of the part of the holding to which the notice to quit relates.

(5) Compensation payable under this section shall be in addition to any compensation to which the tenant may be entitled apart from this section.

Compensation to tenant, on termination of tenancy, for improvements begun before 1st November, 1948.

Application of sections 37 to 46.

36.—(1) The provisions of the ten next following sections shall have effect with respect to the rights of the tenant of an agricultural holding with respect to compensation for an improvement specified in the Second Schedule to this Act carried out on the holding, being an improvement begun before the thirty-first day of July, nineteen hundred and thirty-one (in this Act referred to as " a 1923 Act improvement "), or for an improvement specified in the Third Schedule to this Act so carried out, being an improvement begun on or after that date and before the first day of November, nineteen hundred and forty-eight (in this Act referred to as " a 1931 Act improvement ").

(2) An improvement being a 1923 Act improvement or a 1931 Act improvement is in this Act referred to as " an old improvement ".

Right of tenant to compensation for old improvements.

37.—(1) The tenant shall, subject to the provisions of this Act, be entitled, at the termination of the tenancy, on quitting the holding, to obtain from the landlord compensation for an old improvement carried out by the tenant:

Provided that where the lease was entered into before the first day of January, nineteen hundred and twenty-one, the tenant shall not be entitled to compensation under this section for an

improvement which he was required to carry out by the terms of his tenancy.

(2) Nothing in this section shall prejudice the right of a tenant to claim any compensation to which he may be entitled under custom, agreement or otherwise, in lieu of any compensation provided by this section.

Amount of compensation for old improvements.

38. The amount of any compensation under this Act for an old improvement shall be such sum as fairly represents the value of the improvement to an incoming tenant.

Compensation for certain old improvements conditional on consent of landlord.

39.—(1) Compensation under this Act shall not be payable for a 1923 Act improvement specified in Part I of the Second Schedule to this Act or for a 1931 Act improvement specified in Part I of the Third Schedule thereto unless, before the carrying out thereof, the landlord consented in writing (whether unconditionally or upon terms as to compensation or otherwise agreed on between him and the tenant) to the carrying out thereof.

(2) Where the consent was given upon terms as to compensation agreed on as aforesaid, the compensation payable under the agreement shall be substituted for compensation under this Act.

Compensation for certain old improvements conditional on notice to landlord.

40.—(1) Compensation under this Act shall not be payable for a 1923 Act improvement specified in Part II of the Second Schedule to this Act unless the tenant, not more than three nor less than two months before he began to carry out the improvement, gave to the landlord notice in writing under section three of the Agricultural Holdings (Scotland) Act, 1923, of his intention to carry out the improvement and of the manner in which he proposed to carry it out, and either—

(*a*) the landlord and the tenant agreed on the terms as to compensation or otherwise on which the improvement was to be carried out; or

(*b*) where no such agreement was made and the tenant did not withdraw the notice, the landlord failed to exercise the right conferred on him by that section to carry out the improvement himself within a reasonable time:

Provided that this subsection shall not have effect if the landlord and the tenant agreed, by the lease or otherwise, to dispense with notice under the said section three.

(2) Compensation under this Act shall not be payable for a 1931 Act improvement specified in Part II of the Third Schedule to this Act unless the tenant, not more than six months nor less than three months before he began to carry out the improvement, gave to the landlord notice in writing under section three of the Agricultural Holdings (Scotland) Act, 1923, of his inten-

tion to carry out the improvement and of the manner in which he proposed to carry it out and either—

(*a*) the landlord and the tenant agreed on the terms as to compensation or otherwise on which the improvement was to be carried out; or

(*b*) where no such agreement was made and the tenant did not withdraw the notice, the landlord failed to exercise the right conferred on him by that section to carry out the improvement himself within a reasonable time; or

(*c*) in a case where the landlord gave notice of objection and the matter was, in pursuance of subsection (2) of section twenty-eight of the Small Landholders and Agricultural Holdings (Scotland) Act, 1931, referred for determination to the appropriate authority, that authority was satisfied that the improvement ought to be carried out and the improvement was carried out in accordance with the directions (if any) given by that authority as to the manner in which the improvement was to be carried out:

Provided that this subsection shall not have effect—

(i) if the landlord and the tenant agreed, by the lease or otherwise, to dispense with notice under the said section three; or

(ii) where the improvement consists of drainage which was carried out by the tenant for the purpose of complying with directions given under Defence Regulations, but which he was not required to carry out by the terms of the tenancy.

(3) If the landlord and the tenant agreed (whether after notice was given under the said section three or by an agreement to dispense with notice under that section) on the terms as to compensation on which the improvement was to be carried out, the compensation payable under the agreement shall be substituted for compensation under this Act.

(4) In this section the expression "the appropriate authority" means, in relation to the period before the fourth day of September, nineteen hundred and thirty-nine, the Department of Agriculture for Scotland, and in relation to the period commencing on that day, the Secretary of State.

Conditions attaching to right to compensation for repairs to buildings.

41. Compensation under this Act shall not be payable in respect of any such repairs as are specified in paragraph 29 of the Second Schedule to this Act or in paragraph 29 of the Third Schedule thereto unless, before beginning to execute any such repairs, the tenant gave to the landlord notice in writing under paragraph (29) of the First Schedule to the Agricultural Holdings (Scotland) Act, 1923, or under paragraph (30) of the First Schedule to the Small Landholders and Agricultural Holdings (Scotland) Act, 1931, of his intention to execute the repairs, together with particulars thereof, and the landlord failed to

exercise the right conferred on him by the said paragraph (29) or the said paragraph (30) to execute the repairs himself within a reasonable time after receiving the notice.

Agreements as to compensation for old improvements specified in Part III of Second or Third Schedule.

42. Where an agreement in writing entered into before the first day of January, nineteen hundred and twenty-one, secures to the tenant for an old improvement specified in Part III of the Second Schedule to this Act or in Part III of the Third Schedule thereto fair and reasonable compensation, having regard to the circumstances existing at the time of the making of the agreement, the compensation so secured shall as respects that improvement be substituted for compensation under this Act.

Compensation in respect of temporary pasture.

43. The tenant shall be entitled to compensation under this Act in respect of the 1931 Act improvement specified in paragraph 28 of the Third Schedule to this Act, being the laying down of temporary pasture in accordance with that paragraph, notwithstanding that the laying down or the leaving at the termination of the tenancy of such pasture was in contravention of the terms of the lease or of any agreement made by the tenant respecting the method of cropping the arable lands; but in ascertaining the amount of the compensation the arbiter shall take into account any injury to, or deterioration of, the holding due to the contravention except in so far as the landlord has recovered damages in respect of such injury or deterioration.

Reduction in amount of, or exclusion of right to, compensation for old improvements in certain cases.

44.—(1) In the ascertainment of the amount of the compensation payable under this Act to the tenant in respect of an old improvement, there shall be taken into account—

(*a*) any benefit which the landlord has given or allowed to the tenant in consideration of the tenant carrying out the improvement, whether expressly stated in the lease to be so given or allowed or not; and

(*b*) as respects manuring, the value of the manure required by the lease or by custom to be returned to the holding in respect of any crops grown on and sold off or removed from the holding within the last two years of the tenancy or other less time for which the tenancy has endured, not exceeding the value of the manure which would have been produced by the consumption on the holding of the crops so sold off or removed.

(2) In assessing the amount of any compensation payable to the tenant, whether under this Act or under custom or agreement, by reason of the improvement of the holding by the addition thereto of lime in respect of which a contribution has been made under Part I of the Agriculture Act, 1937, the contribution shall be taken into account as if it had been a benefit allowed to the tenant in consideration of his carrying out the improvement, and the compensation shall be reduced accordingly.

(3) In assessing the amount of any compensation payable under this Act to the tenant in respect of such an improvement

as is mentioned in paragraph (ii) of the proviso to subsection (2) of section forty of this Act, if it is shown to the satisfaction of the person assessing the compensation that the improvement consisted of, or was wholly or in part the result of or incidental to, operations in respect of which any grant has been or is to be made to the tenant out of moneys provided by Parliament, the grant shall be taken into account as if it had been a benefit allowed to the tenant in consideration of his carrying out the improvement, and the compensation shall be reduced to such extent as that person considers appropriate.

(4) Notwithstanding anything in the foregoing provisions of this Act, the tenant shall not be entitled to compensation thereunder for an old improvement carried out on land which, at the time the improvement was begun, was not a holding within the meaning of the Agricultural Holdings (Scotland) Act, 1923, as originally enacted, and would not have fallen to be treated as such a holding by virtue of section thirty-three of that Act.

(5) In this section the expression "manuring" means any of the improvements specified in paragraphs 25 to 27 of the Second Schedule to this Act or in paragraphs 25 to 27 of the Third Schedule thereto.

Provision as to change of tenancy.

45. Where the tenant has remained in the holding during two or more tenancies, he shall not be deprived of his right to compensation under this Act for old improvements by reason only that the improvements were not carried out during the tenancy on the termination of which he quits the holding.

Right to compensation for old improvements of tenant who has paid compensation therefor to outgoing tenant.

46. Where, on entering into occupation of the holding, the tenant, with the consent in writing of the landlord and in pursuance of an agreement made before the first day of November, nineteen hundred and forty-eight, paid to an outgoing tenant any compensation payable under or in pursuance of this Act or the Agricultural Holdings (Scotland) Acts, 1923 to 1948, in respect of the whole or part of an old improvement, or, with the like consent and in pursuance of an agreement in writing made after that day, paid to an outgoing tenant any compensation payable as aforesaid in respect of the whole or part of an old improvement of the kind specified in Part III of the First Schedule to this Act, he shall be entitled, on quitting the holding, to claim compensation for the improvement or part in like manner, if at all, as the outgoing tenant would have been entitled if the outgoing tenant had remained tenant of the holding and quitted it at the time at which the tenant quits it.

Compensation to tenant, on termination of tenancy, for improvements begun on or after 1st November, 1948

Application of sections 48 to 55.

47.—(1) The provisions of the eight next following sections shall have effect with respect to the rights of the tenant of an agricultural holding with respect to compensation for improvements specified in the First Schedule to this Act carried out on

the holding, being improvements begun on or after the first day of November, nineteen hundred and forty-eight; and the said provisions shall have effect whether the tenant entered into occupation of the holding before or on or after the said first day of November.

(2) An improvement falling within the foregoing subsection is in this Act referred to as "a new improvement".

Tenant's right to compensation for new improvements.

48.—(1) The tenant shall, subject to the provisions of this Act, be entitled at the termination of the tenancy, on quitting the holding, to obtain from the landlord compensation for a new improvement carried out by the tenant:

Provided that where the lease was entered into before the first day of January, nineteen hundred and twenty-one, the tenant shall not be entitled to compensation under this section for an improvement which he was required to carry out by the terms of his tenancy.

(2) Nothing in this section shall prejudice the right of a tenant to claim any compensation to which he may be entitled under an agreement in writing in lieu of any compensation provided by this section.

Amount of compensation for new improvements.

49.—(1) The amount of any compensation under this Act for a new improvement shall be such sum as fairly represents the value of the improvement to an incoming tenant.

(2) In the ascertainment of the amount of the compensation payable under this Act for a new improvement there shall be taken into account—

(*a*) any benefit which under an agreement in writing the landlord has given or allowed to the tenant in consideration of the tenant carrying out the improvement; and

(*b*) any grant out of moneys provided by Parliament which has been or will be made to the tenant in respect of the improvement.

Compensation for Sch. I, Pt. I, improvements conditional on consent of landlord.

50.—(1) Compensation under this Act shall not be payable for a new improvement specified in Part I of the First Schedule to this Act unless, before the carrying out thereof, the landlord has consented in writing (whether unconditionally or upon terms as to compensation or otherwise agreed on between him and the tenant) to the carrying out thereof.

(2) Where the consent is given upon terms as to compensation agreed on as aforesaid, the compensation payable under the agreement shall be substituted for compensation under this Act.

Compensation for Sch. I, Pt. II, improvements conditional on notice to landlord.

51.—(1) Compensation under this Act shall not be payable for a new improvement specified in Part II of the First Schedule to this Act unless the tenant has, not less than three months

before he began to carry out the improvement, given to the landlord notice in writing of his intention to carry out the improvement and of the manner in which he proposes to carry it out.

(2) On such notice being given, the landlord and the tenant may enter into an agreement in writing with respect to the terms as to compensation or otherwise on which the improvement is to be carried out, and if any such agreement is entered into, the compensation payable under the agreement shall be substituted for compensation under this Act.

(3) The landlord and the tenant may, by the lease or otherwise, enter into an agreement in writing to dispense with any notice under subsection (1) of this section; and an agreement so entered into may provide for anything for which an agreement entered into under the last foregoing subsection may provide, and in such case shall be of the like validity and effect as such last-mentioned agreement.

Compensation for Sch. I, Pt. II, improvements conditional on approval of Secretary of State in certain cases.

52.—(1) Subject to the provisions of this section, compensation under this Act shall not be payable in respect of a new improvement specified in Part II of the First Schedule to this Act if, within one month after receiving notice under subsection (1) of the last foregoing section from the tenant of his intention to carry out the improvement, the landlord gives notice in writing to the tenant that he objects to the carrying out of the improvement or to the manner in which the tenant proposes to carry it out.

(2) Where notice of objection has been given as aforesaid, the tenant may, after giving notice in writing to the landlord of his intention so to do, apply to the Secretary of State for approval of the carrying out of the improvement, and on any such application the Secretary of State may, after affording to the tenant and to the landlord an opportunity of making representations to the Secretary of State, whether in writing or on being heard by a person appointed by the Secretary of State, approve the carrying out of the improvement either unconditionally or upon such terms, whether as to reduction of the compensation which would be payable if the Secretary of State approved unconditionally or as to other matters, as appear to the Secretary of State to be just, or may withhold his approval; and in either case forthwith after coming to a decision on the application the Secretary of State shall give notice in writing of his decision to the landlord and to the tenant.

(3) If, on an application under the last foregoing subsection, the Secretary of State grants his approval, the landlord may, within one month after receiving notice of the decision of the Secretary of State, serve notice in writing on the tenant undertaking to carry out the improvement himself.

(4) Where the Secretary of State grants his approval, then if either—

(*a*) no notice is served by the landlord under the last foregoing subsection, or

(*b*) such a notice is served but, on an application made by the tenant in that behalf, the Secretary of State, after affording to the tenant and to the landlord an opportunity of making representations to the Secretary of State, whether in writing or on being heard by a person appointed by the Secretary of State, determines that the landlord has failed to carry out the improvement within a reasonable time,

the tenant may carry out the improvement and shall be entitled to compensation under this Act in respect thereof as if notice of objection had not been given by the landlord, and any terms subject to which the approval was given shall have effect as if they were contained in an agreement in writing between the landlord and the tenant.

Compensation in respect of temporary pasture.

53. The tenant shall be entitled to compensation under this Act in respect of the new improvement specified in paragraph 33 of the First Schedule to this Act, being the laying down of temporary pasture in accordance with that paragraph, notwithstanding that the laying down or the leaving at the termination of the tenancy of such pasture is in contravention of the terms of the lease or of any agreement made by the tenant respecting the method of cropping the arable lands; but in ascertaining the amount of the compensation the arbiter shall take into account any injury to, or deterioration of, the holding due to the contravention except in so far as the landlord has recovered damages in respect of such injury or deterioration.

Provision as to change of tenancy.

54. Where the tenant has remained in the holding during two or more tenancies, he shall not be deprived of his right to compensation under this Act for new improvements by reason only that the improvements were not carried out during the tenancy on the termination of which he quits the holding.

Right to compensation for new improvements of tenant who has paid compensation therefor to outgoing tenant.

55.—(1) Where, on entering into occupation of the holding the tenant, in pursuance of such an agreement as is mentioned in subsection (2) of section eleven of this Act, paid to an outgoing tenant or refunded to his landlord any compensation payable by the landlord under or in pursuance of this Act or the Agricultural Holdings (Scotland) Acts, 1923 to 1948, in respect of the whole or part of a new improvement, he shall be entitled on quitting the holding to claim compensation in respect of the improvement or part in like manner, if at all, as the outgoing tenant would have been entitled if he had remained tenant of the holding and quitted it at the time at which the tenant quits it.

(2) Where, in a case not falling within the foregoing subsection or section eleven of this Act, the tenant, on entering into occupation of the holding, paid to his landlord any amount in respect of the whole or part of a new improvement, he shall, subject to any agreement in writing between the landlord and the tenant, be entitled on quitting the holding to claim compensation in respect of the improvement or part in like manner, if at all, as he would have been entitled if he had been tenant of the holding at the time when the improvement was carried out and the improvement or part had been carried out by him.

Compensation to tenant, on termination of tenancy, for continuous adoption of special standard of farming

Compensation for continuous adoption of special standard of farming.

56.—(1) Where the tenant of an agricultural holding proves that the value of the holding to an incoming tenant has been increased during the tenancy by the continuous adoption of a standard of farming or a system of farming which has been more beneficial to the holding 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 holdings in the district, the tenant shall be entitled, on quitting the holding, to obtain from the landlord such compensation as represents the value to an incoming tenant of the adoption of that standard or system:

Provided that compensation shall not be recoverable under this section unless—

(i) the tenant has, not later than one month before the termination of the tenancy, given to the landlord notice in writing of his intention to claim such compensation; and

(ii) a record of the condition of the fixed equipment on, and the cultivation of, the holding has been made under section seventeen of this Act;

and shall not be so recoverable in respect of any matter arising before the date of the record so made or, where more than one such record has been made during the tenancy, before the date of the first such record.

(2) In assessing the compensation to be paid under this section due allowance shall be made for any compensation agreed or awarded to be paid to the tenant for any old or new improvement which has caused or contributed to the benefit.

(3) Nothing in this section shall entitle a tenant to recover, for an old or a new improvement or an improvement to which the provisions of this Act relating to market gardens apply, any compensation which he would not be entitled to recover apart from this section.

Compensation to landlord, on termination of tenancy, for deterioration of holding

Compensation to landlord for deterioration, etc. of particular parts of holding.

57.—(1) The landlord of an agricultural holding shall be entitled to recover from the tenant of the holding, on the tenant's quitting the holding on the termination of the tenancy, compensation in respect of any dilapidation or deterioration of, or damage to, any part of the holding or anything in or on the holding, caused by non-fulfilment by the tenant of his responsibilities to farm in accordance with the rules of good husbandry.

(2) The amount of the compensation payable under the foregoing subsection shall be the cost, as at the date of the tenant's quitting the holding, of making good the dilapidation, deterioration or damage.

(3) Notwithstanding anything in this Act, the landlord may, in lieu of claiming compensation under subsection (1) of this section, claim compensation in respect of matters specified therein under and in accordance with a lease in writing, so however that—

(*a*) compensation shall be so claimed only on the tenant's quitting the holding on the termination of the tenancy;

(*b*) compensation shall not be claimed in respect of any one holding both under such a lease and under the said subsection (1);

and for the purposes of paragraph (*b*) of this subsection any claim under subsection (1) of section six of this Act shall be disregarded.

Compensation to landlord for general deterioration of holding.

58. Where, on the quitting of an agricultural holding by a tenant thereof on the termination of the tenancy, the landlord shows that the value of the holding generally has been reduced, whether by reason of any such dilapidation, deterioration or damage as is mentioned in subsection (1) of the last foregoing section or otherwise by non-fulfilment by the tenant of his responsibilities to farm in accordance with the rules of good husbandry, the landlord shall be entitled to recover from the tenant compensation therefor, in so far as the landlord is not compensated therefor under subsection (1) of that section or in accordance with subsection (3) thereof, of an amount equal to the decrease attributable thereto in the value of the holding.

Provisions supplementary to s. 57 and s. 58.

59.—(1) Compensation shall not be recoverable under subsection (1) of section fifty-seven of this Act or under section fifty-eight thereof unless the landlord has, not later than three months before the termination of the tenancy, given notice in writing to the tenant of his intention to claim compensation thereunder.

(2) Compensation shall not be recoverable—

(*a*) under subsection (1) of section fifty-seven of this Act or under section fifty-eight thereof in any case where

the lease was entered into after the thirty-first day of July, nineteen hundred and thirty-one, or

(*b*) under and in accordance with any lease entered into on or after the first day of November, nineteen hundred and forty-eight,

unless during the occupancy of the tenant a record of the condition of the fixed equipment on, and the cultivation of, the holding has been made under section seventeen of this Act, or in respect of any matter arising before the date of the record so made, or, where more than one such record has been made during his occupancy, before the date of the first such record:

Provided that if the landlord and the tenant enter into an agreement in writing in that behalf, a record of the condition of the holding shall, notwithstanding that it was made during the occupancy of a previous tenant, be deemed, for the purposes of this subsection, to have been made during the occupancy of the tenant and on such date as may be specified in the agreement and shall have effect subject to such modifications (if any) as may be so specified.

(3) Where the tenant has remained in his holding during two or more tenancies, his landlord shall not be deprived of his right to compensation under section fifty-seven or section fifty-eight of this Act in respect of any dilapidation, deterioration or damage by reason only that the tenancy during which an act or omission occurred which in whole or in part caused the dilapidation, deterioration or damage was a tenancy other than the tenancy at the termination of which the tenant quits the holding.

Supplementary provisions with respect to compensation

Compensation provisions of this Act to apply to parts of holdings in certain cases.

60.—(1) Where—

(*a*) the tenancy of part of an agricultural holding terminates by reason of such a notice to quit as is rendered valid by section thirty-two of this Act; or

(*b*) the landlord of an agricultural holding resumes possession of part of the holding in pursuance of a provision in that behalf contained in the lease;

the provisions of this Act with respect to compensation shall apply as if that part of the holding were a separate holding which the tenant had quitted in consequence of a notice to quit:

Provided that, in a case falling within paragraph (*b*) of this section, the arbiter, in assessing the amount of compensation payable to the tenant, shall take into account any benefit or relief allowed to the tenant under the lease in respect of the land possession of which is resumed by the landlord.

(2) Where any land comprised in a lease is not an agricultural holding within the meaning of this Act by reason only that the land so comprised includes land (in this subsection referred to

as "non-statutory land") which, owing to the nature of the buildings thereon or the use to which it is put, would not, if it had been separately let, be an agricultural holding within the meaning of this Act, the provisions of this Act with respect to compensation for improvements and for disturbance shall, unless it is otherwise agreed in writing, apply to the part of the land exclusive of the non-statutory land as if that part were a separate agricultural holding.

Determination of claims for compensation where holding is divided.

61. Where an agricultural holding has become vested in more than one person in several parts and the rent payable by the tenant of the holding has not been apportioned with his consent or under any statute, the tenant shall be entitled to require that any compensation payable to him under this Act shall be determined as if the holding had not been divided; and the arbiter shall, where necessary, apportion the amount awarded between the persons who for the purposes of this Act together constitute the landlord of the holding, and any additional expenses of the award caused by the apportionment shall be directed by the arbiter to be paid by those persons in such proportions as he shall determine.

Adjustment of compensation in respect of ploughing grants.

62. In assessing the amount of compensation payable, whether under this Act or under custom or agreement, to the tenant of an agricultural holding comprising land in respect of which a payment in respect of a ploughing grant under Part IV of the Agricultural Development Act, 1939, has been made to the tenant, or has been or is to be applied for by him, if it is shown to the satisfaction of the person assessing the compensation that the improvement or cultivations in respect of which the compensation is claimed was wholly or in part the result of or incidental to the operations by virtue of which the land became eligible for the grant, the grant shall be taken into account as if it had been a benefit allowed to the tenant in consideration of his carrying out the improvement or cultivations, and the compensation shall be reduced to such extent as that person considers appropriate.

Compensation not to be payable for things done in compliance with this Act.

63.—(1) Notwithstanding anything in the foregoing provisions of this Act or any custom or agreement—

(*a*) no compensation shall be payable to the tenant of an agricultural holding in respect of anything done in pursuance of an order under paragraph (ii) of section nine of this Act;

(*b*) in assessing compensation to an outgoing tenant of an agricultural holding where land has been ploughed up in pursuance of a direction under that section, the value per acre of any tenant's pasture comprised in the holding shall be taken not to exceed the average value per acre of the whole of the tenant's pasture comprised in the holding on the termination of the tenancy.

In this subsection the expression " tenant's pasture " means pasture laid down at the expense of the tenant or paid for by the tenant on entering the holding.

(2) The tenant of an agricultural holding shall not be entitled to any compensation for an old improvement specified in Part III of the Second Schedule to this Act or in Part III of the Third Schedule thereto or a new improvement specified in Part III of the First Schedule thereto, being an improvement carried out for the purposes of the proviso to subsection (1) of section thirty-five of the Agricultural Holdings (Scotland) Act, 1923, or of the proviso to subsection (1) of section twelve of this Act.

Extent to which compensation recoverable under agreements.

64.—(1) Save as expressly provided in this Act, in any case for which, apart from this section, the provisions of this Act provide for compensation a tenant or a landlord shall be entitled to compensation in accordance with these provisions and not otherwise, and shall be so entitled notwithstanding any agreement to the contrary:

Provided that where the landlord and the tenant of an agricultural holding enter into an agreement in writing for any such variation of the terms of the lease as could be made by direction or order under section nine of this Act, the agreement may provide for the exclusion of compensation in like manner as under subsection (1) of section sixty-three of this Act.

(2) Nothing in the said provisions, apart from this section, shall be construed as disentitling a tenant or a landlord to compensation in any case for which the said provisions do not provide for compensation, but a claim for compensation in any such case as aforesaid shall not be enforceable except under an agreement in writing.

Special provisions affecting market gardens as regards compensation and fixtures

Effect of agreement to let or treat an agricultural holding as a market garden.

65.—(1) In the case of an agricultural holding in respect of which it is agreed by an agreement in writing made on or after the first day of January, eighteen hundred and ninety-eight, that the holding shall be let or treated as a market garden—

(*a*) the provisions of this Act shall apply as if improvements of a kind specified in the Fourth Schedule thereto begun before the thirty-first day of July, nineteen hundred and thirty-one, were included among the improvements specified in Part III of the Second Schedule thereto, as if improvements of such a kind begun on or after that day and before the first day of November, nineteen hundred and forty-eight, were included among the improvements specified in Part III of the Third Schedule thereto, and as if improvements

of such a kind begun on or after the said first day of November were included among the improvements specified in Part III of the First Schedule thereto;

(*b*) section fourteen of this Act shall extend to every fixture or building affixed or erected by the tenant to or upon the holding or acquired by him since the thirty-first day of December, nineteen hundred, for the purposes of his trade or business as a market gardener;

(*c*) it shall be lawful for the tenant to remove all fruit trees and fruit bushes planted by him on the holding and not permanently set out, but if the tenant does not remove such fruit trees and fruit bushes before the termination of his tenancy they shall remain the property of the landlord and the tenant shall not be entitled to any compensation in respect thereof; and

(*d*) the right of an incoming tenant to claim compensation in respect of the whole or part of an improvement which he has purchased may be exercised although the landlord has not consented in writing to the purchase.

(2) Where under a lease current on the first day of January, eighteen hundred and ninety-eight, an agricultural holding was at that date in use or cultivation as a market garden with the knowledge of the landlord, and the tenant thereof had then carried out thereon, without having received previously to the carrying out thereof a written notice of dissent from the landlord, an improvement of the kind specified in the Fourth Schedule to this Act (other than one consisting of such an alteration of a building as did not constitute an enlargement thereof) the provisions of this section shall apply in respect of the holding as if it had been agreed in writing after that date that the holding should be let or treated as a market garden, so however that the improvements in respect of which compensation is payable under those provisions as so applied shall include improvements carried out before as well as improvements carried out after that date:

Provided that where such tenancy was a tenancy from year to year, the compensation payable in respect of such an improvement as aforesaid shall be such (if any) as could have been claimed if this Act had not passed.

(3) Where the land to which such agreement relates or so used and cultivated, consists of part of an agricultural holding only, this section shall apply as if that part were a separate holding.

(4) Nothing in this section shall confer a right to compensation for the alteration of a building (not being an alteration constituting an enlargement of the building) where the alteration was begun before the first day of November, nineteen hundred and forty-eight.

Power of Secretary of State in default of agreement to treat an agricultural holding as a market garden.

66.—(1) Subject to the provisions of this section, where the tenant of an agricultural holding intimates to the landlord in writing his desire to carry out on the holding or any part thereof an improvement specified in the Fourth Schedule to this Act, and the landlord refuses, or within a reasonable time fails, to agree in writing that the holding, or that part thereof, shall be treated as a market garden, the Secretary of State may, on the application of the tenant and after affording to the landlord and to the tenant an opportunity to make representations to the Secretary of State, whether in writing or on being heard by a person appointed by the Secretary of State, and after being satisfied that the holding or that part thereof is suitable for the purposes of market gardening, direct that the last foregoing section shall, either in respect of all the improvements specified in the said Fourth Schedule or in respect of some only of those improvements, apply to the holding or to that part thereof, and the said section shall apply accordingly as respects any improvement carried out after the date on which the direction is given.

(2) Where a direction is given under the foregoing subsection, then, if the tenancy is terminated by notice to quit given by the tenant or by reason of the tenant becoming notour bankrupt or executing a trust deed for behoof of his creditors, the tenant shall not be entitled to compensation in respect of improvements specified in the direction unless the tenant not later than one month after the date on which the notice to quit is given or the date of the bankruptcy or the execution of the trust deed, as the case may be, or such later date as may be agreed, produces to the landlord an offer in writing by a substantial and otherwise suitable person (being an offer which is to hold good for a period of three months from the date on which it is produced) to accept a tenancy of the holding from the termination of the existing tenancy thereof, and on the terms and conditions of that tenancy so far as applicable, and, subject as hereinafter provided, to pay to the outgoing tenant all compensation payable under this Act or under the lease, and the landlord fails to accept the offer within three months after the production thereof.

(3) If the landlord accepts any such offer as aforesaid, the incoming tenant shall pay to the landlord on demand all sums payable to him by the outgoing tenant on the termination of the tenancy in respect of rent or breach of contract or otherwise in respect of the holding, and any amount so paid may, subject to any agreement between the outgoing tenant and incoming tenant, be deducted by the incoming tenant from any compensation payable by him to the outgoing tenant.

(4) A direction under subsection (1) of this section may be given subject to such conditions, if any, for the protection of the landlord as the Secretary of State may think fit to attach to

the direction, and, without prejudice to the generality of this subsection, where the direction relates to part only of the holding, the direction may, on the application of the landlord, be given subject to the condition that the tenant shall consent to the division of the holding into two parts (one such part being the part to which the direction relates) to be held at rents agreed by the landlord and tenant or in default of agreement determined by arbitration, but otherwise on the same terms and conditions (so far as applicable) as those on which the holding is held.

(5) A new tenancy created by the acceptance of a tenant in accordance with the provisions of this section on the terms and conditions of the existing tenancy shall be deemed for the purposes of section seven of this Act not to be a new tenancy.

Agreements as to compensation relating to market gardens.

67.—(1) Where an agreement in writing secures to the tenant of an agricultural holding for an improvement for which compensation is payable by virtue of either of the two last foregoing sections fair and reasonable compensation, having regard to the circumstances existing at the time of making the agreement, the compensation so secured shall, as respects that improvement, be substituted for compensation under this Act.

(2) The landlord and the tenant of an agricultural holding who have agreed that the holding shall be let or treated as a market garden may by agreement in writing substitute, for the provisions as to compensation which would otherwise be applicable to the holding, the provisions as to compensation set out in subsections (2) and (3) of the last foregoing section.

Settlement of claims between landlord and tenant on termination of tenancy

Settlement of claims by arbitration.

68.—(1) Without prejudice to any other provision of this Act, any claim of whatever nature by the tenant or the landlord of an agricultural holding against his landlord or his tenant, being a claim which arises—

(*a*) under this Act or any custom or agreement, and

(*b*) on or out of the termination of the tenancy of the holding or part thereof,

shall, subject to the provisions of this section, be determined by arbitration.

(2) Without prejudice to any other provision of this Act, no such claim as aforesaid shall be enforceable unless before the expiration of two months from the termination of the tenancy the claimant has served notice in writing on his landlord or his tenant, as the case may be, of his intention to make the claim.

A notice under this subsection shall specify the nature of the claim, and it shall be a sufficient specification thereof if the notice refers to the statutory provision, custom, or term of an agreement under which the claim is made.

(3) The landlord and the tenant may within the period of four months from the termination of the tenancy by agreement in writing settle any such claim as aforesaid, and the Secretary of State may upon the application of the landlord or the tenant made within that period extend the said period by two months and, on a second such application made during these two months, by a further two months.

(4) Where before the expiration of the said period and any extension thereof under the last foregoing subsection any such claim as aforesaid has not been settled, the claim shall cease to be enforceable unless before the expiration of one month from the end of the said period and any such extension, or within such longer time as the Secretary of State may in special circumstances allow, an arbiter has been appointed by agreement between the landlord and the tenant under the provisions of this Act in that behalf or an application for the appointment of an arbiter under those provisions has been made by the landlord or the tenant.

(5) Where a tenant lawfully remains in occupation of part of an agricultural holding after the termination of a tenancy, references in subsections (2) and (3) of this section to the termination thereof shall be construed as references to the termination of the occupation.

(6) This section shall not apply to a claim arising on or out of the termination of a tenancy before the first day of November, nineteen hundred and forty-eight.

Recovery of sums due under this Act

Recovery of compensation and other sums due.

69. Any award or agreement under this Act as to compensation, expenses or otherwise may, if any sum payable thereunder is not paid within one month after the date on which it becomes payable, be recorded for execution in the books of council and session or in the sheriff court books, and shall be enforceable in like manner as a recorded decree arbitral.

Power of tenant to obtain charge on holding in respect of compensation.

70.—(1) Where on or after the first day of November, nineteen hundred and forty-eight, any sum has become payable to the tenant of an agricultural holding in respect of compensation by the landlord and the landlord has failed to discharge his liability therefor within one month after the date on which the sum became payable, the Secretary of State may, on the application of the tenant and after giving not less than fourteen days' notice of his intention so to do to the landlord, create, where the landlord is the absolute owner of the holding, a charge on the holding, or where the landlord is the lessee of the holding under a lease recorded under the Registration of Leases (Scotland) Act, 1857, a charge on the lease for the payment of the sum due.

(2) For the purpose of creating a charge under this section for the payment of any sum due, the Secretary of State may make in favour of the tenant a charging order charging and burdening the holding or the lease, as the case may be, with an annuity to repay the sum due together with the expenses of obtaining the charging order and recording it in the appropriate Register of Sasines; and the provisions of subsection (2) and subsections (4) to (10) of section fifty-five of the Water (Scotland) Act, 1946, shall, with the following and any other necessary modifications, apply to any such charging order—

(*a*) for any reference to the local authority there shall be substituted a reference to the Secretary of State;

(*b*) for any reference to the period of thirty years there shall be substituted a reference to such period (not exceeding thirty years) as the Secretary of State may determine;

(*c*) for references to Part III of the said Act of 1946 there shall be substituted references to this Act.

(3) The creation of a charge on a holding or the lease of a holding under this section shall not be deemed to be a contravention of any prohibition against charging or burdening contained in the deed or instrument under which the holding is held.

Supplementary provisions

Representations to the Secretary of State.

71.—(1) Any enactment in this Act providing, in relation to the taking of any action by the Secretary of State, for his taking the action after affording to a person an opportunity of making representations to the Secretary of State, whether in writing or on being heard by a person appointed by the Secretary of State, shall be construed as a provision that the Secretary of State shall comply with the following requirements.

(2) The Secretary of State shall give notice to the said person specifying the action proposed to be taken and informing him of the effect of the three following subsections.

(3) If within the prescribed time and in the prescribed manner the said person makes representations to the Secretary of State in writing, the Secretary of State shall not take the action in question until he has considered the representations.

(4) If, whether or not representations are made to the Secretary of State in writing, the said person within the prescribed time and in the prescribed manner requires that an opportunity be afforded to him of being heard by a person appointed by the Secretary of State for the purpose, such an opportunity shall be afforded to him and, on the same occasion, to any other person to whom under the enactment referred to in subsection

(1) of this section the Secretary of State is required to afford such an opportunity, and the Secretary of State shall not take the action in question until he has considered any representations made at the hearing.

(5) No officer or servant of an Agricultural Executive Committee or of any sub-committee thereof shall be appointed under the last foregoing subsection to receive representations relating to land in the area of the Committee.

References to the Land Court.

72.—(1) In any case where by any of the provisions of this Act a person is empowered to require that a proposal of the Secretary of State to take any action shall be referred to the Land Court, then, if within the prescribed time and in the prescribed manner the said person so requires, the proposal shall be referred accordingly.

(2) On any such reference the Land Court shall determine—

(*a*) whether the conditions as to which the Secretary of State must be satisfied before taking the action are fulfilled, and

(*b*) whether, having regard to their determination under the foregoing paragraph and to all the circumstances of the case, the Secretary of State should or should not take the action proposed,

and shall report to the Secretary of State accordingly; and the Secretary of State shall forward a copy of the report to any person who availed himself of an opportunity to make representations to the Secretary of State afforded to him under the provisions in question of this Act.

(3) In any such case as is mentioned in subsection (1) of this section the Secretary of State shall not give effect to the proposal until the expiration of the period within which a reference to the Land Court may be required.

(4) Where such a reference is duly required, the Secretary of State shall act in accordance with the report of the Land Court and not otherwise.

(5) Forthwith after taking action in any such case as is mentioned in subsection (1) of this section, the Secretary of State shall serve notice thereof in writing on any person who under the provisions in question of this Act was entitled to be afforded an opportunity to make representations to the Secretary of State.

Proceedings of the Land Court.

73. The provisions of the Small Landholders (Scotland) Acts, 1886 to 1931, with regard to the Land Court shall, with any necessary modifications, apply for the purpose of the determination of any matter which they are required by or under this Act

to determine, in like manner as those provisions apply for the purpose of the determination by the Land Court of matters referred to them under those Acts.

Matters to be referred to arbitration.

74. Save as otherwise expressly provided in this Act, any question or difference of any kind whatsoever between the landlord and the tenant of an agricultural holding arising out of the tenancy or in connection with the holding (not being a question or difference as to liability for rent) shall, whether such question or difference arises during the currency or on the termination of the tenancy, be determined by arbitration.

Provisions as to arbitrations.

75.—(1) Any matter which by or under this Act, or by regulations made thereunder, or under the lease of an agricultural holding is required to be determined by arbitration shall, whether the matter arose before or after the passing of this Act, be determined, notwithstanding any agreement under the lease or otherwise providing for a different method of arbitration, by a single arbiter in accordance with the provisions of the Sixth Schedule to this Act, and the Arbitration (Scotland) Act, 1894, shall not apply to any such arbitration.

(2) The Secretary of State may by rules make such provision as he thinks desirable for expediting, or reducing the expenses of, proceedings on arbitrations under this Act:

Provided that the Secretary of State shall not make rules inconsistent with the provisions of the Sixth Schedule to this Act.

(3) The power conferred by the last foregoing subsection on the Secretary of State shall be exercisable by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.

(4) This section and the last foregoing section shall not apply to valuations of sheep stocks, dung, fallow, straw, crops, fences and other specific things the property of an out-going tenant, agreed under a lease to be taken over from him at the termination of a tenancy by the landlord or the incoming tenant, or to any questions which it may be necessary to determine in order to ascertain the sum to be paid in pursuance of such agreement, and that whether such valuations and questions are referred to arbitration under the lease or not.

Constitution of panel of arbiters, and provisions as to remuneration of arbiter.

76.—(1) Such number of persons as may be appointed by the Lord President of the Court of Session, after consultation with the Secretary of State, shall form a panel of persons from whom any arbiter appointed, otherwise than by agreement, for the purposes of an arbitration under and in accordance with the provisions of the Sixth Schedule to this Act shall be selected.

(2) The panel of arbiters constituted under the foregoing subsection shall be subject to revision by the Lord President of the

Court of Session, after such consultation as aforesaid, at such intervals not exceeding five years, as the Lord President and the Secretary of State may from time to time agree.

(3) The remuneration of an arbiter appointed as aforesaid by the Secretary of State shall be such amount as is fixed by the Secretary of State, and the remuneration of an arbiter appointed by the parties to any such arbitration shall, in default of agreement between those parties and the arbiter, be such amount as, on the application of the arbiter or of either of the parties, is fixed by the auditor of the sheriff court, subject to appeal to the sheriff.

(4) The remuneration of an arbiter, when agreed or fixed under this section, shall be recoverable by the arbiter as a debt due from either of the parties to the arbitration, and any amount paid in respect of the remuneration of the arbiter by either of those parties in excess of the amount (if any) directed by the award to be paid by him in respect of the expenses of the award shall be recoverable from the other party to the arbitration.

Appointment of arbiter in cases to which the Secretary of State is a party.

77. Where the Secretary of State is a party to any question or difference which under this Act is to be determined by arbitration or by an arbiter appointed in accordance with the provisions of this Act, the arbiter shall, in lieu of being appointed by the Secretary of State, be appointed by the Land Court, and the remuneration of the arbiter so appointed shall be such amount as may be fixed by the Land Court.

Determination of questions by Land Court in lieu of arbitration.

78. Any question or difference between the landlord and the tenant of an agricultural holding which by or under this Act or under the lease is required to be determined by arbitration may, if the landlord and the tenant so agree, in lieu of being determined in pursuance of subsection (1) of section seventy-five of this Act be determined by the Land Court, and the Land Court shall, on the joint application of the landlord and the tenant, determine such question or difference accordingly.

Power of Secretary of State to vary First and Fourth Schedules to this Act.

79.—(1) The Secretary of State may, after consultation with persons appearing to him to represent the interests of landlords and tenants of agricultural holdings, by order vary the provisions of the First and Fourth Schedules to this Act.

(2) An order under this section may make such provision as to the operation of this Act in relation to tenancies current when the order takes effect as appears to the Secretary of State to be just having regard to the variation of the said Schedules effected by the order:

Provided that nothing in any order made under this section shall affect the right of a tenant to claim, in respect of an improvement made or begun before the date on which such order takes effect, any compensation to which, but for the making of the order, he would have been entitled.

(3) An order under this section shall be embodied in a statutory instrument which shall be of no effect unless approved by resolution of each House of Parliament.

Power of limited owners to give consents, etc.

80. The landlord of an agricultural holding, whatever may be his estate or interest in the holding, may for the purposes of this Act give any consent, make any agreement, or do or have done to him any act which he might give or make or do or have done to him if he were absolute owner of the holding.

Power of heir of entail to apply entailed moneys for improvements.

81. The price of any entailed land sold under the provisions of the Entail Acts, when such price is entailed estate within the meaning of those Acts, may be applied by the heir of entail in respect of the remaining portion of the entailed estate, or in respect of any other estate belonging to him and entailed upon the same series of heirs, in payment of any expenditure and expenses incurred by him in pursuance of this Act in carrying out or paying compensation for any old improvement specified in Part I or Part II of the Second or Third Schedule to this Act or any new improvement specified in Part I or Part II of the First Schedule thereto, or in discharge of any charge with which the estate is burdened in pursuance of this Act in respect of such an improvement.

Power of landlord to obtain charge on holding in respect of compensation, etc. paid by him.

82.—(1) Where on or after the first day of November, nineteen hundred and forty-eight, the landlord of an agricultural holding, not being the absolute owner of the holding, has paid to the tenant of the holding the amount due to him under this Act, or under custom or agreement, or otherwise, in respect of compensation for an old or a new improvement or in respect of compensation for disturbance, or has himself defrayed the cost of an improvement proposed to be executed by the tenant, the Secretary of State may, on the application of the landlord and after giving not less than fourteen days notice to the absolute owner of the holding, make in favour of the landlord a charging order charging and burdening the holding with an annuity to repay the amount of the compensation or of the cost of the improvement, as the case may be, together with the expenses of obtaining the charging order and recording it in the appropriate Register of Sasines; and the provisions of subsections (2) and (4) and of subsections (6) to (10) of section fifty-five of the Water (Scotland) Act, 1946, shall, with the following and any other necessary modifications, apply to any such charging order—

(*a*) for any reference to the local authority there shall be substituted a reference to the Secretary of State;

(*b*) for any reference to the period of thirty years there shall be substituted in the case of a charging order made in respect of compensation for, or of the cost of, an

improvement a reference to the period within which the improvement will, in the opinion of the Secretary of State, have become exhausted;

(*c*) for references to Part III of the said Act of 1946 there shall be substituted references to this Act.

(2) An annuity constituted a charge by a charging order recorded in the appropriate Register of Sasines shall be a charge on the holding specified in the order and shall rank after all prior charges heritably secured thereon.

(3) The creation of a charge on a holding under this section shall not be deemed to be a contravention of any prohibition against charging or burdening contained in the deed or instrument under which the holding is held.

Power of land improvement companies to advance money.

83. Any company now or hereafter incorporated by Parliament or incorporated under the Companies Act, 1948, and having power to advance money for the improvement of land, or for the cultivation and farming of land, may make an advance of money upon a charging order duly made and recorded under this Act, on such terms and conditions as may be agreed upon between the company and the person entitled to the order.

Appointment of guardian to landlord or tenant in certain cases.

84. Where the landlord or the tenant of an agricultural holding is a pupil or a minor or is of unsound mind, not having a tutor, curator or other guardian, the sheriff, on the application of any person interested, may appoint to him, for the purposes of this Act, a tutor or a curator, and may recall the appointment and appoint another tutor or curator if and as occasion requires.

Validity of consents, etc.

85. It shall be no objection to any consent in writing or agreement in writing under this Act signed by the parties thereto or by any persons authorised by them that the consent or agreement has not been executed in accordance with the enactments regulating the execution of deeds in Scotland.

Provisions as to Crown land

Application of Act to Crown land.

86.—(1) This Act shall apply to land belonging to His Majesty in right of the Crown, subject to such modifications as may be prescribed; and for the purposes of this Act the Commissioners of Crown Lands or other the proper officer or body having charge of the land for the time being, or if there is no such officer or body, such person as His Majesty may appoint in writing under the Royal Sign Manual, shall represent His Majesty and shall be deemed to be the landlord.

(2) Without prejudice to the provisions of the foregoing subsection it is hereby declared that the provisions of this Act apply to land notwithstanding that the interest of the landlord or the

tenant thereof belongs to a government department or is held on behalf of His Majesty for the purposes of any government department; but in their application to any land belonging, or an interest in which is held as aforesaid, the said provisions shall have effect subject to such modifications as may be prescribed.

(3) Section fifteen of the Crown Lands Act, 1927 (which enables the Commissioners of Crown Lands to pay out of capital the cost of carrying out certain improvements and other works) shall apply to compensation payable by them under this Act for new improvements specified in Part I or Part II of the First Schedule thereto or for improvements specified in paragraph 1, 2 or 5 of the Fourth Schedule thereto begun on or after the first day of November, nineteen hundred and forty-eight, as it applies to the cost specified in the said section fifteen, and any compensation payable under this Act by the said Commissioners for old improvements specified in Part III of the Second Schedule to this Act or in Part III of the Third Schedule thereto or for new improvements specified in Part III of the First Schedule to this Act shall be paid as part of the expenses of the management of the land revenues of the Crown.

Determination of matters relating to holdings of which the Secretary of State is landlord or tenant.

87.—(1) Any section of this Act under which any matter is referred to the decision of the Secretary of State shall, in its application to an agricultural holding of which the Secretary of State is himself the landlord or the tenant, have effect with the substitution of the Land Court for the Secretary of State, and any provision in any such section for an appeal to an arbiter from the decision of the Secretary of State shall not apply.

(2) The provisions of this Act shall, in their application to any arbitration with regard to an agricultural holding of which the Secretary of State is himself the landlord or the tenant, have effect with the substitution of the Land Court for the Secretary of State.

General

Expenses and receipts.

88.—(1) All expenses incurred by the Secretary of State under this Act shall be defrayed out of moneys provided by Parliament.

(2) All sums received by the Secretary of State under this Act, including sums received on his behalf by any person or body of persons exercising functions on behalf of the Secretary of State, shall be paid into the Exchequer.

Provisions as to entry and inspection.

89.—(1) Any person authorised by the Secretary of State in that behalf shall have power at all reasonable times to enter on and inspect any land for the purpose of determining whether, and if so in what manner, any of the powers conferred on the Secretary of State by this Act are to be exercised in relation to the land, or whether, and if so in what manner, any direction given under any such power has been complied with.

(2) Any person authorised by the Secretary of State who proposes to exercise any power of entry or inspection conferred by this Act shall, if so required, produce some duly authenticated document showing his authority to exercise the power.

(3) Admission to any land used for residential purposes shall not be demanded as of right in the exercise of any such power as aforesaid unless twenty-four hours notice of the intended entry has been given to the occupier of the land.

(4) Save as provided by the last foregoing subsection, admission to any land shall not be demanded as of right in the exercise of any such power as aforesaid unless notice has been given to the occupier of the land that it is proposed to enter during a period, specified in the notice, not exceeding fourteen days and beginning at least twenty-four hours after the giving of the notice and the entry is made on the land during the period specified in the notice.

(5) Any person who obstructs any person authorised by the Secretary of State exercising any such power as aforesaid shall be guilty of an offence and shall be liable on summary conviction to a fine not exceeding five pounds in the case of a first offence or twenty pounds in the case of a second or any subsequent offence.

Service of notices, etc.

90.—(1) Any notice or other document required or authorised by or under this Act to be given to or served on any person shall be duly given or served if it is delivered to him, or left at his proper address, or sent to him by post in a registered letter.

(2) Any such document required or authorised to be given to or served on an incorporated company or body shall be duly given or served if given to or served on the secretary or clerk of the company or body.

(3) For the purposes of this section and of section twenty-six of the Interpretation Act, 1889, the proper address of any person to or on whom any such document as aforesaid is to be given or served shall, in the case of the secretary or clerk of any incorporated company or body, be that of the registered or principal office of the company or body, and in any other case be the last known address of the person in question.

(4) Unless or until the tenant of an agricultural holding shall have received notice that the person theretofore entitled to receive the rents and profits of the holding (hereinafter referred to as " the original landlord ") has ceased to be so entitled, and also notice of the name and address of the person who has become entitled to receive such rents and profits, any notice or other document served on or delivered to the original landlord by the tenant shall be deemed to have been served on or delivered to the landlord of the holding.

Prohibition of appeal from sheriff substitute.

91. Where any jurisdiction committed by this Act to the sheriff is exercised by the sheriff substitute, there shall be no appeal to the sheriff.

Revocation and variation of orders.

92. Any power conferred on the Secretary of State by this Act to make an order shall include a power, exercisable in the like manner and subject to the like conditions, to revoke or vary the order.

Interpretation.

93.—(1) In this Act, unless the context otherwise requires, the following expressions have the meanings hereby respectively assigned to them, that is to say—

"absolute owner" means the owner or person capable of disposing by disposition or otherwise of the fee simple or dominium utile of the whole interest of or in land, although the land, or his interest therein, is burdened, charged, or encumbered;

"agricultural holding" has the meaning assigned to it by section one of this Act;

"agricultural unit" means land which is an agricultural unit for the purposes of the Agriculture (Scotland) Act, 1948;

"agriculture" includes horticulture, fruit growing, seed growing, dairy farming and livestock breeding and keeping, the use of land as grazing land, meadow land, osier land, market gardens and nursery grounds, and the use of land for woodlands where that use is ancillary to the farming of land for other agricultural purposes, and "agricultural" shall be construed accordingly;

"building" includes any part of a building;

"Defence Regulations" means Regulations made under the Emergency Powers (Defence) Acts, 1939 and 1940;

"fixed equipment" includes any building or structure affixed to land and any works on, in, over or under land, and also includes anything grown on land for a purpose other than use after severance from the land, consumption of the thing grown or of produce thereof, or amenity, and, without prejudice to the foregoing generality, includes the following things, that is to say—

(*a*) all permanent buildings, including farm houses and farm cottages, necessary for the proper conduct of the agricultural holding;

(*b*) all permanent fences, including hedges, stone dykes, gate posts and gates;

(*c*) all ditches, open drains and tile drains, conduits and culverts, ponds, sluices, flood banks and main water courses;

(*d*) stells, fanks, folds, dippers, pens and bughts necessary for the proper conduct of the holding;

(*e*) farm access or service roads, bridges and fords;

(*f*) water and sewerage systems;

(*g*) electrical installations including generating plant, fixed motors, wiring systems, switches and plug sockets;

(*h*) shelter belts;

and references to fixed equipment on land shall be construed accordingly;

"former enactment relating to agricultural holdings" means Part I of the Agriculture (Scotland) Act, 1948, Part II of the Small Landholders and Agricultural Holdings (Scotland) Act, 1931, the Agricultural Holdings (Scotland) Act, 1923, and any enactment repealed by the last-mentioned Act;

"Land Court" means the Scottish Land Court;

"landlord" means any person for the time being entitled to receive the rents and profits or to take possession of any agricultural holding, and includes the executor, administrator, assignee, heir-at-law, legatee, disponee, next-of-kin, guardian, curator bonis or trustee in bankruptcy, of a landlord;

"lease" means a letting of land for a term of years, or for lives, or for lives and years, or from year to year;

"livestock" includes any creature kept for the production of food, wool, skins or fur, or for the purpose of its use in the farming of land;

"market garden" means a holding, cultivated, wholly or mainly, for the purpose of the trade or business of market gardening;

"new improvement" has the meaning assigned to it by subsection (2) of section forty-seven of this Act;

"old improvement" has the meaning assigned to it by subsection (2) of section thirty-six of this Act;

"1923 Act improvement" and "1931 Act improvement" have the meanings respectively assigned to them by subsection (1) of section thirty-six of this Act;

" pasture " includes meadow ;

" prescribed " means prescribed by the Secretary of State by regulations made by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament ;

" produce " includes anything (whether live or dead) produced in the course of agriculture ;

" tenant " means the holder of land under a lease and includes the executor, administrator, assignee, heir-at-law, legatee, disponee, next-of-kin, guardian, curator bonis, or trustee in bankruptcy, of a tenant ;

" termination ", in relation to a tenancy, means the termination of the lease by reason of effluxion of time or from any other cause ;

" Whitsunday " and " Martinmas " in relation to any lease entered into on or after the first day of November, nineteen hundred and forty-eight, mean respectively the twenty-eighth day of May and the twenty-eighth day of November.

(2) The provisions of the Fifth and Sixth Schedules to the Agriculture (Scotland) Act, 1948, (which have effect respectively for the purpose of determining for the purposes of that Act whether the owner of agricultural land is fulfilling his responsibilities to manage it in accordance with the rules of good estate management and whether the occupier of such land is fulfilling his responsibilities to farm it in accordance with the rules of good husbandry) shall have effect for the purposes of this Act as they have effect for the purposes of that Act.

(3) References in this Act to the farming of land include references to the carrying on in relation to the land of any agricultural activity.

(4) References in this Act to the use of land for agriculture include, in relation to land forming part of an agricultural unit, references to any use of the land in connection with the farming of the unit.

(5) References to the terms, conditions, or requirements of a lease of or of an agreement relating to an agricultural holding shall be construed as including references to any obligations, conditions or liabilities implied by the custom of the country in respect of the holding.

(6) The designations of landlord and tenant shall continue to apply to the parties until the conclusion of any proceedings taken under or in pursuance of this Act in respect of compensation for improvements or under any agreement made in pursuance of this Act.

(7) Anything which by or under this Act is required or authorised to be done by, to or in respect of the landlord or the tenant of an agricultural holding may be done by, to or in respect of any agent of the landlord or of the tenant.

Amendments of other Acts.

94. The enactments specified in the Seventh Schedule to this Act shall have effect subject to the amendments specified in that Schedule.

Construction of references in other Acts to holdings as defined by the Agricultural Holdings (Scotland) Act, 1923.

95.—(1) References, in whatever terms, in any enactment, other than an enactment contained in this Act, in the Agricultural Holdings (Scotland) Acts, 1923 and 1931, or in Part I of the Agriculture (Scotland) Act, 1948, to a holding within the meaning of the Agricultural Holdings (Scotland) Act, 1923, or of the Agricultural Holdings (Scotland) Acts, 1923 to 1948, shall be construed as references to an agricultural holding as defined by section one of this Act.

(2) The foregoing subsection shall not apply to an enactment in so far as its operation is material for the purposes of the provisions of the said Acts of 1923 and 1931 or the said Act of 1948 to the extent to which they are excepted from the repeal of enactments effected by this Act.

Improvements carried out before 1909.

96. The compensation in respect of an improvement made or begun before the first day of January, nineteen hundred and nine (being the date of the commencement of the Agricultural Holdings (Scotland) Act, 1908), or made upon an agricultural holding held under a lease, other than a lease from year to year, current on the first day of January, eighteen hundred and eighty-four, shall be such (if any) as could have been claimed if the Agricultural Holdings (Scotland) Acts, 1923 to 1948, and this Act had not passed, but the procedure for the ascertainment and recovery thereof shall be such as is provided by this Act, and the amount so ascertained shall be payable, recoverable and chargeable as if it were compensation under this Act.

Repeal of enactments.

97. Subject to the provisions of the next following section, the enactments specified in the first and second columns of the Eighth Schedule to this Act are hereby repealed to the extent specified in the third column of that Schedule.

Provisions as to tenants quitting before commencement of this Act, or thereafter in consequence of notice given, etc. before 1st November, 1948.

98. In a case where the tenant of an agricultural holding has quitted the holding before the commencement of this Act, or quits it after the commencement of this Act in consequence of a notice to quit given (whether by him or his landlord) before the first day of November, nineteen hundred and forty-eight, or in consequence of a renunciation of the tenancy in pursuance of an agreement in writing made before that day, the provisions of this Act, so far as relating to the rights of landlords and tenants to compensation (including the provisions

relating to the determination of compensation where a holding is divided, the apportionment of compensation in such a case and the payment of expenses caused by such an apportionment), and the payment and recovery of compensation shall not apply, and in lieu thereof the enactments specified in the Eighth Schedule to this Act, so far as relating to the matters aforesaid, shall continue to apply and shall accordingly be excepted from the operation of the last foregoing section.

General savings.

99.—(1) Nothing in this Act shall affect any order, rule, regulation, record, appointment, application or complaint made, approval, consent or direction given, proceeding or assignation taken, notice served or given, certificate issued, condition imposed or thing done under a former enactment relating to agricultural holdings but any such order, rule, regulation, record, appointment, application, complaint, approval, consent, direction, proceeding, assignation, notice, certificate, condition, or thing which is in force at the commencement of this Act, shall continue in force, and so far as it could have been made, given, taken, served, issued, imposed or done under the corresponding provision of this Act shall (save where it is material only for the purposes of the enactments specified in the Eighth Schedule to this Act so far as continued in force by virtue of the last foregoing section) have effect as if it had been made, given, taken, served, issued, imposed or done under that corresponding provision:

Provided that this subsection shall not apply to any such regulations or directions as are mentioned in the two next following subsections.

(2) Nothing in this Act shall affect any regulations having effect for the purposes of section seventy-one or eighty of the Agriculture (Scotland) Act, 1948, which are in force at the commencement of this Act, but any such regulations shall continue to have effect for those purposes and shall also have effect for the purposes of sections seventy-two or seventy-one of this Act, as the case may be, as if they had been made by virtue of those sections respectively.

(3) Nothing in this Act shall affect any direction given under subsection (1) of section five of the Agricultural Holdings (Scotland) Act, 1923, or the corresponding provision of an enactment repealed by that Act, by the Board or the Department of Agriculture for Scotland or by the Secretary of State, but any such direction which is in force at the commencement of this Act shall continue in force and shall (save where it is material only for the purposes of the enactments specified in the Eighth Schedule to this Act so far as continued in force by virtue of the last foregoing section) have effect as if it were a direction of the Secretary of State under subsection (1) of section sixty-six of this Act.

(4) Any notice deemed to have been given by the Secretary of State under the Second Schedule to the Agriculture (Scotland) Act, 1948, shall be deemed to have been given under subsection (2) of section twenty-eight of this Act.

(5) Any provision of the Agricultural Holdings (Scotland) Act, 1923, or Part I of the Agriculture (Scotland) Act, 1948, or of any other enactment which (whatever its terms) has the effect of requiring a matter to be determined by arbitration under the said Act of 1923, shall be construed as having the effect of requiring that matter to be determined by arbitration under this Act, and an arbitration under the said Act of 1923 uncompleted at the commencement of this Act may be carried on and completed as if it had been begun under this Act:

Provided that, in the application of the Sixth Schedule to this Act to an arbitration for the purposes of the enactments specified in the Eighth Schedule to this Act so far as continued in force by virtue of the last foregoing section, paragraph 12 of the said Sixth Schedule shall have effect with the substitution, for references to this Act, of references to those enactments.

(6) Notwithstanding subsection (1) of section thirty-eight of the Interpretation Act, 1889 (which relates to the effect of repeals) any reference which is or is to be construed as a reference to a former enactment relating to agricultural holdings or an enactment repealed by the Agricultural Holdings (Scotland) Act, 1908 (other than a reference in such an enactment or this Act or such a reference as is mentioned in subsection (1) of seotion ninety-five of this Act or adapted by the last foregoing subsection) shall, so far as the operation of the enactment in which the reference occurs is material for the purposes of the enactments specified in the Eighth Schedule to this Act so far as continued in force by virtue of the last foregoing section, be construed in like manner as if this Act had not passed, and otherwise shall (save where the context otherwise requires) be construed as a reference to the corresponding provision of this Act.

(7) Any document referring to a former enactment relating to agricultural holdings or an enactment repealed by the Agricultural Holdings (Scotland) Act, 1908, shall, so far as it or its operation is material for the purposes of the enactment specified in the Eighth Schedule to this Act so far as continued in force by virtue of the last foregoing section, be construed in like manner as if this Act had not passed, and otherwise shall be construed as referring to the corresponding provision of this Act.

(8) Nothing in this Act shall affect the provisions of the Allotments (Scotland) Act, 1922, or be construed as repealing—

(*a*) section twenty-six of the Agriculture (Miscellaneous War Provisions) Act, 1940 (which excludes the operation of

the Agricultural Holdings (Scotland) Acts, 1923 and 1931, in relation to certain tenancies granted during the war period);

(*b*) section fifteen of the Agriculture (Miscellaneous Provisions) Act, 1943 (which relieves occupiers of agricultural land from liabilities and loss of compensation resulting from directions given under Defence Regulations); or

(*c*) any enactment contained in Part II of the Agriculture (Scotland) Act, 1948.

(9) Any person holding office or acting or serving under or by virtue of a former enactment relating to agricultural holdings shall continue to hold his office or to act or serve as if he had been appointed by or by virtue of the corresponding provision of this Act.

(10) Notwithstanding subsection (2) of section thirty-eight of the Interpretation Act, 1889, rights to compensation conferred by this Act shall be in lieu of rights to compensation conferred by any former enactment relating to agricultural holdings.

(11) Save to the extent to which it is otherwise provided by subsections (6) and (10) of this section, the mention of particular matters in this section shall not be taken to affect the general application of section thirty-eight of the Interpretation Act, 1889.

Saving for other rights, etc.

100. Subject to the provisions of subsection (2) of section twelve and subsection (1) of section sixty-eight of this Act in particular, and to any other provision of this Act which otherwise expressly provides, nothing in this Act shall prejudicially affect any power, right or remedy of a landlord, tenant or other person, vested in or exercisable by him by virtue of any other Act or law, or under any custom of the country, or otherwise, in respect of a lease or other contract, or of any improvements, deteriorations, away-going crops, fixtures, tax, rate, teind, rent or other thing.

Short title and extent.

101.—(1) This Act may be cited as the Agricultural Holdings (Scotland) Act, 1949.

(2) This Act shall extend to Scotland only.

SCHEDULES

FIRST SCHEDULE.

Sections 11, 47, 50, 51, 52, 53, 63, 65, 79, 81, 86.

IMPROVEMENTS BEGUN ON OR AFTER 1ST NOVEMBER, 1948, FOR WHICH COMPENSATION MAY BE PAYABLE.

PART I.

IMPROVEMENTS TO WHICH CONSENT OF LANDLORD IS REQUIRED.

1. Laying down of permanent pasture.
2. Making of water-meadows or works of irrigation.
3. Making of gardens.
4. Planting of orchards or fruit bushes.
5. Warping or weiring of land.
6. Making of embankments and sluices against floods.
7. Making or planting of osier beds.
8. Haulage or other work done by the tenant in aid of the carrying out of any improvement made by the landlord for which the tenant is liable to pay increased rent.

PART II.

IMPROVEMENTS IN RESPECT OF WHICH NOTICE TO LANDLORD IS REQUIRED.

9. Land drainage.
10. Construction of silos.
11. Making or improvement of farm access or service roads, bridges and fords.
12. Making or improvement of watercourses, ponds or wells, or of works for the application of water power for agricultural or domestic purposes or for the supply of water for such purposes.
13. Making or removal of permanent fences, including hedges, stone dykes and gates.
14. Reclaiming of waste land.
15. Renewal of embankments and sluices against floods.
16. Provision of stells, fanks, folds, dippers, pens and bughts necessary for the proper conduct of the holding.
17. Provision or laying on of electric light or power, including the provision of generating plant, fixed motors, wiring systems, switches and plug sockets.

1ST SCH. —*cont.*

18. Erection, alteration or enlargement of buildings, and making or improvement of permanent yards, loading banks and stocks.

19. Erection of hay or sheaf sheds, sheaf or grain drying racks, and implement sheds.

20. Provision of fixed threshing mills, barn machinery and fixed dairying plant.

21. Improvement of permanent pasture by cultivation and re-seeding.

22. Provision of means of sewage disposal.

23. Repairs to fixed equipment, being equipment reasonably required for the efficient farming of the holding, other than repairs which the tenant is under an obligation to carry out.

PART III.

IMPROVEMENTS IN RESPECT OF WHICH CONSENT OF, OR NOTICE TO, LANDLORD IS NOT REQUIRED.

24. Protecting fruit trees against animals.

25. Chalking of land.

26. Clay burning.

27. Claying of land.

28. Liming of land.

29. Marling of land.

30. Eradication of bracken, whins or broom growing on the holding at the commencement of the tenancy and, in the case of arable land, removal of tree roots, boulders, stones or other like obstacles to cultivation.

31. Application to land of purchased manure (including artificial manure).

32. Consumption on the holding of corn (whether produced on the holding or not) or of cake or other feeding stuff not produced on the holding by

(*a*) horses, cattle, sheep or pigs ; or

(*b*) poultry folded on the land as part of a system of farming practised on the holding.

33. Laying down temporary pasture with clover, grass, lucerne, sainfoin, or other seeds, sown more than two years prior to the termination of the tenancy, in so far as the value of the temporary pasture on the holding at the time of quitting exceeds the value of the temporary pasture on the holding at the commencement of the tenancy for which the tenant did not pay compensation.

SECOND SCHEDULE.

Sections 36, 39, 40, 41, 42, 44, 63, 65, 81, 86.

IMPROVEMENTS BEGUN BEFORE 31ST JULY, 1931, FOR WHICH COMPENSATION MAY BE PAYABLE.

PART I.

IMPROVEMENTS FOR WHICH COMPENSATION IS PAYABLE IF CONSENT OF LANDLORD WAS OBTAINED TO THEIR EXECUTION.

1. Erection, alteration, or enlargement of buildings.
2. Formation of silos.
3. Laying down of permanent pasture.
4. Making and planting of osier beds.
5. Making of water meadows or works of irrigation.
6. Making of gardens.
7. Making or improvement of roads or bridges.
8. Making or improvement of watercourses, ponds, wells, or reservoirs, or of works for the application of water power or for supply of water for agricultural or domestic purposes.
9. Making or removal of permanent fences.
10. Planting of hops.
11. Planting of orchards or fruit bushes.
12. Protecting young fruit trees.
13. Reclaiming of waste land.
14. Warping or weiring of land.
15. Embankments and sluices against floods.
16. Erection of wirework in hop gardens.
17. Provision of permanent sheep dipping accommodation.
18. In the case of arable land the removal of bracken, gorse, tree roots, boulders, or other like obstructions to cultivation.

PART II.

IMPROVEMENT FOR WHICH COMPENSATION IS PAYABLE IF NOTICE WAS GIVEN TO LANDLORD BEFORE EXECUTION THEREOF.

19. Drainage.

PART III.

IMPROVEMENTS FOR WHICH COMPENSATION IS PAYABLE WITHOUT CONSENT OF, OR NOTICE TO, LANDLORD OF THEIR EXECUTION.

20. Chalking of land.
21. Clay-burning.
22. Claying of land or spreading blaes upon land.
23. Liming of land.

2ND SCH. —*cont.*

24. Marling of land.
25. Application to land of purchased artificial or other purchased manure.
26. Consumption on the holding by cattle, sheep, or pigs, or by horses other than those regularly employed on the holding, of corn, cake, or other feeding stuff not produced on the holding.
27. Consumption on the holding by cattle, sheep, or pigs, or by horses other than those regularly employed on the holding, of corn proved by satisfactory evidence to have been produced and consumed on the holding.
28. Laying down temporary pasture with clover, grass, lucerne, sainfoin, or other seeds, sown more than two years prior to the termination of the tenancy, in so far as the value of the temporary pasture on the holding at the time of quitting exceeds the value of the temporary pasture on the holding at the commencement of the tenancy for which the tenant did not pay compensation.
29. Repairs to buildings, being buildings necessary for the proper cultivation or working of the holding, other than repairs which the tenant is himself under an obligation to execute.

Sections 36, 39, 40, 41, 42, 43, 44, 63, 65, 81, 86.

THIRD SCHEDULE.

IMPROVEMENTS BEGUN ON OR AFTER 31ST JULY, 1931, AND BEFORE 1ST NOVEMBER, 1948, FOR WHICH COMPENSATION MAY BE PAYABLE.

PART I.

IMPROVEMENTS FOR WHICH COMPENSATION IS PAYABLE IF CONSENT OF LANDLORD WAS OBTAINED TO THEIR EXECUTION.

1. Erection, alteration, or enlargement of buildings.
2. Laying down of permanent pasture.
3. Making and planting of osier beds.
4. Making of water meadows or works of irrigation.
5. Making of gardens.
6. Planting of orchards or fruit bushes.
7. Protecting young fruit trees.
8. Warping or weiring of land.
9. Making of embankments and sluices against floods.

PART II.

IMPROVEMENTS FOR WHICH COMPENSATION IS PAYABLE IF NOTICE WAS GIVEN TO LANDLORD BEFORE EXECUTION THEREOF.

10. Drainage.
11. Formation of silos.

12. Making or improvement of roads or bridges.
13. Making or improvement of watercourses, ponds or wells, or of works for the application of water power or for the supply of water for agricultural or domestic purposes.
14. Making or removal of permanent fences.
15. Reclaiming of waste land.
16. Repairing or renewal of embankments and sluices against floods.
17. Provision of sheep dipping accommodation.
18. The provision of electrical equipment other than moveable fittings and appliances.

PART III.

IMPROVEMENTS FOR WHICH COMPENSATION IS PAYABLE WITHOUT CONSENT OF, OR NOTICE TO, LANDLORD OF THEIR EXECUTION.

19. Chalking of land.
20. Clay-burning.
21. Claying of land or spreading blaes upon land.
22. Liming of land.
23. Marling of land.
24. Eradication of bracken, whins, or gorse growing on the holding at the commencement of a tenancy and in the case of arable land the removal of tree roots, boulders, stones or other like obstacles to cultivation.
25. Application to land of purchased artificial or other purchased manure.
26. Consumption on the holding by cattle, sheep, or pigs, or by horses other than those regularly employed on the holding, of corn, cake, or other feeding stuff not produced on the holding.
27. Consumption on the holding by cattle, sheep, or pigs, or by horses other than those regularly employed on the holding, of corn proved by satisfactory evidence to have been produced and consumed on the holding.
28. Laying down temporary pasture with clover, grass, lucerne, sainfoin, or other seeds, sown more than two years prior to the termination of the tenancy, in so far as the value of the temporary pasture on the holding at the time of quitting exceeds the value of the temporary pasture on the holding at the commencement of the tenancy for which the tenant did not pay compensation.
29. Repairs to buildings, being buildings necessary for the proper cultivation or working of the holding, other than repairs which the tenant is himself under an obligation to execute.

Sections 65, 66, 79, 86.

FOURTH SCHEDULE.

MARKET GARDEN IMPROVEMENTS FOR WHICH COMPENSATION MAY BE PAYABLE.

1. Planting of standard or other fruit trees permanently set out.
2. Planting of fruit bushes permanently set out.
3. Planting of strawberry plants.
4. Planting of asparagus, rhubarb, and other vegetable crops which continue productive for two or more years.
5. Erection, alteration or enlargement of buildings for the purpose of the trade or business of a market gardener.

Section 4.

FIFTH SCHEDULE.

MATTERS FOR WHICH PROVISION IS TO BE MADE IN WRITTEN LEASES.

1. The names of the parties.

2. Particulars of the holding with sufficient description, by reference to a map or plan, of the fields and other parcels of land comprised therein to identify the extent of the holding.

3. The term or terms for which the holding or different parts thereof is or are agreed to be let.

4. The rent and the dates on which it is payable.

5. An undertaking by the landlord in the event of damage by fire to any building comprised in the holding to reinstate or replace the building if its reinstatement or replacement is required for the fulfilment of his responsibilities to manage the holding in accordance with the rules of good estate management, and (except where the interest of the landlord is held for the purposes of a government department or a person representing His Majesty under section eighty-six of this Act is deemed to be the landlord, or where the landlord has made provision approved by the Secretary of State for defraying the cost of any such reinstatement or replacement as aforesaid) an undertaking by the landlord to insure to their full value all such buildings against damage by fire.

6. An undertaking by the tenant, in the event of the destruction by fire of harvested crops grown on the holding for consumption thereon, to return to the holding the full equivalent manurial value of the crops destroyed, in so far as the return thereof is required for the fulfilment of his responsibilities to farm in accordance with the rules of good husbandry, and (except where the interest of the tenant is held for the purposes of a government department or where the tenant has made provision approved by the Secretary of State in lieu of such insurance) an undertaking by the tenant to insure to their full value all dead stock on the holding and all such harvested crops as aforesaid against damage by fire.

SIXTH SCHEDULE.

Sections 75, 76, 99.

PROVISIONS AS TO ARBITRATIONS.

Appointment of arbiter.

1. A person agreed upon between the parties or, in default of agreement, appointed on the application in writing of either of the parties by the Secretary of State from among the members of the panel constituted under this Act for the purpose, shall be appointed arbiter.

2. If a person appointed arbiter dies, or is incapable of acting, or for seven days after notice from either party requiring him to act fails to act, a new arbiter may be appointed as if no arbiter had been appointed.

3. Neither party shall have power to revoke the appointment of the arbiter without the consent of the other party.

4. Every appointment, notice, revocation and consent under the foregoing provisions of this Schedule must be in writing.

Particulars of Claim.

5. Each of the parties to the arbitration shall within fourteen days from the appointment of the arbiter deliver to him a statement of that party's case with all necessary particulars; and

(*a*) no amendment or addition to the statement or particulars delivered shall be allowed after the expiration of the said fourteen days except with the consent of the arbiter;

(*b*) a party to the arbitration shall be confined at the hearing to the matters alleged in the statement and particulars so delivered and any amendment thereof or addition thereto duly made.

Evidence.

6. The parties to the arbitration, and all persons claiming through them respectively, shall, subject to any legal objection, submit to be examined by the arbiter on oath or affirmation in relation to the matters in dispute, and shall, subject as aforesaid, produce before the arbiter all samples, books, deeds, papers, accounts, writings, and documents, within their possession or power respectively which may be required or called for, and do all other things which during the proceedings the arbiter may require.

7. The arbiter shall have power to administer oaths, and to take the affirmation of parties and witnesses appearing, and witnesses shall, if the arbiter thinks fit, be examined on oath or affirmation.

Award.

8. The arbiter shall make and sign his award within two months of his appointment or within such longer period as may, either before or after the expiry of the aforesaid period be agreed to in writing by the parties, or be fixed by the Secretary of State.

9. The arbiter may, if he thinks fit, make an interim award for the payment of any sum on account of the sum to be finally awarded.

6TH SCH. —*cont.*

10. The award shall be in such form as may be specified by statutory instrument made by the Secretary of State.

11. The arbiter shall—

(*a*) state separately in his award the amounts awarded in respect of the several claims referred to him ; and

(*b*) on the application of either party, specify the amount awarded in respect of any particular improvement or any particular matter the subject of the award.

12. Where by virtue of this Act compensation under an agreement is to be substituted for compensation under this Act for improvements, the arbiter shall award compensation in accordance with the agreement instead of in accordance with this Act.

13. The award shall fix a day not later than one month after delivery of the award for the payment of the money awarded as compensation, expenses or otherwise.

14. The award to be made by the arbiter shall be final and binding on the parties and the persons claiming under them respectively.

15. The arbiter may correct in an award any clerical mistake or error arising from any accidental slip or omission.

Expenses

16. The expenses of and incidental to the arbitration and award shall be in the discretion of the arbiter, who may direct to and by whom and in what manner those expenses or any part thereof are to be paid, and the expenses shall be subject to taxation by the auditor of the sheriff court on the application of either party, but that taxation shall be subject to review by the sheriff.

17. The arbiter shall, in awarding expenses, take into consideration the reasonableness or unreasonableness of the claim of either party whether in respect of amount or otherwise, and any unreasonable demand for particulars or refusal to supply particulars, and generally all the circumstances of the case, and may disallow the expenses of any witness whom he considers to have been called unnecessarily and any other expenses which he considers to have been incurred unnecessarily.

18. It shall not be lawful to include in the expenses of and incidental to the arbitration and award, or to charge against any of the parties, any sum payable in respect of remuneration or expenses to any person appointed by the arbiter to act as clerk or otherwise to assist him in the arbitration unless such appointment was made after submission of the claim and answers to the arbiter and with either the consent of the parties to the arbitration or the sanction of the sheriff.

Statement of case

19. The arbiter may at any stage of the proceedings, and shall, if so directed by the sheriff (which direction may be given on the application of either party), state a case for the opinion of the sheriff on any question of law arising in the course of the arbitration.

20. The opinion of the sheriff on any case stated under the last foregoing paragraph shall be final unless, within such time and in accordance with such conditions as may be specified by act of sederunt, either party appeals to the Court of Session, from whose decision no appeal shall lie. 6TH SCH. —*cont.*

Removal of arbiter and setting aside of award

21. Where an arbiter has misconducted himself the sheriff may remove him.

22. When an arbiter has misconducted himself, or an arbitration or award has been improperly procured, the sheriff may set the award aside.

Forms

23. Any forms for proceedings in arbitrations under this Act which may be specified by statutory instrument made by the Secretary of State shall, if used, be sufficient.

SEVENTH SCHEDULE. Section 94

AMENDMENTS OF OTHER ACTS.

The Small Landholders and Agricultural Holdings (Scotland) Act, 1931

In section twenty-six, for subsection (2) there shall be substituted the following subsection:—

"(2) This Part of this Act may be cited as the Small Landholders (Scotland) Act, 1931, and shall be construed as one with the Small Landholders (Scotland) Acts, 1886 to 1919, and those Acts and this Part of this Act may be cited together as the Small Landholders (Scotland) Acts, 1886 to 1931."

The Hill Farming Act, 1946

The Hill Farming Act, 1946, shall, in its application to Scotland, have effect with the substitution for section nine thereof of the following section—

"Operation of the Agricultural Holdings (Scotland) Act, 1949, in relation to improvement schemes.

9.—(1) Subject to the provisions of this section, the Agricultural Holdings (Scotland) Act, 1949, shall apply to improvements for which provision is made by an approved hill farming land improvement scheme as it applies to other improvements.

(2) Where a tenant of an agricultural holding within the meaning of the said Act of 1949 has carried out thereon an improvement specified in Part I or Part II of the First Schedule to that Act in accordance with provision in such a scheme for the carrying out of the improvement and for the tenant's being responsible for doing

7TH SCH. —*cont.*

the work, being provision included in the scheme at the instance or with the consent of the landlord, then—

(*a*) in the case of an improvement specified in the said Part I, the landlord shall be deemed to have consented as mentioned in section fifty of that Act in relation to the improvement; or

(*b*) in the case of an improvement specified in the said Part II, the tenant shall be deemed to have given notice to the landlord as mentioned in section fifty-one of that Act in relation to the improvement and the landlord shall be deemed to have received the notice and to have given no such notice to the tenant as is mentioned in section fifty-two of that Act objecting to the carrying out of the improvement or to the manner in which the tenant proposes to carry out the work;

and any agreement as to compensation or otherwise made between the landlord and the tenant in relation to the improvement shall have effect as if it had been such an agreement on terms as is mentioned in the said section fifty or the said section fifty-one as the case may be.

(3) If on the ground of work being badly done the appropriate Minister withholds or reduces the improvement grant in respect of an improvement, he may direct that any right conferred by section eight of the Agricultural Holdings (Scotland) Act, 1949, to have the rent of an agricultural holding increased shall not be exercisable in respect of the improvement, or shall be exercisable only to such extent as may be specified in the direction, and any such direction given after that right has been exercised shall be retrospective and any excess rent paid shall be repaid accordingly.

(4) In assessing the amount of any compensation payable, whether under the said Act of 1949 or under custom or agreement, to the tenant of an agricultural holding, if it is shown to the satisfaction of the person assessing the compensation that the improvement or cultivations in respect of which the compensation is claimed was or were wholly or in part the result of or incidental to work in respect of the cost of which an improvement grant has been paid or will be payable, the amount of the grant shall be taken into account as if it had been a benefit allowed to the tenant in consideration of his executing the improvement or cultivations, and the compensation shall be reduced to such extent as that person considers appropriate."

EIGHTH SCHEDULE

ENACTMENTS REPEALED

Sections 97, 98, 99.

Session and Chapter	Short Title	Extent of Repeal
13 & 14 Geo. 5. c. 10.	The Agricultural Holdings (Scotland) Act, 1923.	The whole Act.
13 & 14 Geo. 5. c. 25.	The Agriculture (Amendment) Act, 1923.	The whole Act.
19 & 20 Geo. 5. c. 25.	The Local Government (Scotland) Act, 1929.	In section forty-eight, the words from " or by an arbiter " to the end of the section.
21 & 22 Geo. 5. c. 42.	The Agricultural Marketing Act, 1931.	In section nineteen, in paragraph (6) the words " or other occupier of an agricultural holding ", and the words from " or by an arbiter " to the end of the paragraph.
21 & 22 Geo. 5. c. 44.	The Small Landholders and Agricultural Holdings (Scotland) Act, 1931.	Part II. In section forty-one, in subsection (1) the words from " and the Small Landholders Acts " to the end of the subsection.
1 Edw. 8 and 1 Geo. 6. c. 70.	The Agriculture Act, 1937.	Section five, so far as it relates to agricultural holdings.
2 & 3 Geo. 6. c. 48.	The Agricultural Development Act, 1939.	In section thirty, subsection (2) so far as it relates to agricultural holdings.
6 & 7 Geo. 6. c. 16.	The Agriculture (Miscellaneous Provisions) Act, 1943.	Section twenty-one.
9 & 10 Geo. 6. c. 73.	The Hill Farming Act, 1946.	In section thirty-nine, in subsection (1), paragraph (*c*).
11 & 12 Geo. 6. c. 45.	The Agriculture (Scotland) Act, 1948.	Part I, except section eight in relation to notices to quit given before the commencement of this Act and except section twenty-five so far as relating to the provisions therein mentioned so far as continued in force by this Act. In section eighty-four, the words " the Agricultural Holdings (Scotland) Acts, 1923 and 1931, or ".

Session and Chapter	Short Title	Extent of Repeal
11 & 12 Geo. 6. c. 45.	The Agriculture (Scotland) Act, 1948 —*cont.*	The First and Second Schedules. In the Third Schedule, in paragraph 2, the words from " or a direction " to " permanent pasture " where those words first occur, and in paragraph 4, the words from the beginning to " this Act ". The Fourth and Ninth Schedules.

TABLE OF STATUTES REFERRED TO IN THIS ACT.

Short Title	Session and Chapter
Removal Terms (Scotland) Act, 1886	49 & 50 Vict. c. 50.
Interpretation Act, 1889	52 & 53 Vict. c. 63.
Arbitration (Scotland) Act, 1894	57 & 58 Vict. c. 13.
Sheriff Courts (Scotland) Act, 1907	7 Edw. 7. c. 51.
Agricultural Holdings (Scotland) Act, 1908	8 Edw. 7. c. 64.
Bankruptcy (Scotland) Act, 1913	3 & 4 Geo. 5. c. 20.
Income Tax Act, 1918	8 & 9 Geo. 5. c. 40.
Allotments (Scotland) Act, 1922	12 & 13 Geo. 5. c. 52.
Agricultural Holdings (Scotland) Act, 1923	13 & 14 Geo. 5. c. 10.
Crown Lands Act, 1927	17 & 18 Geo. 5. c. 23.
Local Government (Scotland) Act, 1929	19 & 20 Geo. 5. c. 25.
Agricultural Marketing Act, 1931	21 & 22 Geo. 5. c. 42.
Small Landholders and Agricultural Holdings (Scotland) Act, 1931	21 & 22 Geo. 5. c. 44.
Agriculture Act, 1937	1 Edw. 8. and 1 Geo. 6. c. 70.
Agricultural Development Act, 1939	2 & 3 Geo. 6. c. 48.
Agriculture (Miscellaneous War Provisions) Act, 1940	3 & 4 Geo. 6. c. 14.
Agriculture (Miscellaneous Provisions) Act, 1943 ...	6 & 7 Geo. 6. c. 16.
Hill Farming Act, 1946	9 & 10 Geo. 6. c. 73.
Water (Scotland) Act, 1946	9 & 10 Geo. 6. c. 42.
Companies Act, 1948	11 & 12 Geo. 6. c. 38.
Agriculture (Scotland) Act, 1948	11 & 12 Geo. 6. c. 45.