

The Farm Management Handbook



Farm
Advisory
Service

Land & Buildings



The UK reference
for farm business
management



Part of Scotland's
Rural College (SRUC)

Updated June 2024

This document is an updated section of the Farm Management Handbook. It was updated on 28th of June 2024. You can find the complete handbook, as well as other updated sections, on the [FMH section of the FAS website](#).

Introduction

This section gives detail on the main legislative, technical and finances related to land and buildings.

Land tenure remains a topical subject as implementation of the Land Reform Act (2016) continues. The detail that follows gives brief descriptions. Specialist legal advice should be sought for specific tenure related circumstances.

Building spaces guidance and costs are laid out to allow users to budget space requirements and capital requirements for existing and new buildings.

Property operating costs for different types of farms can be found in the Whole Farm Data section.

Land Tenure

There are four types of agricultural tenancy currently available for use in Scotland, although this will change with the ongoing implementation of the Land Reform (Scotland) Act 2016.

To establish what law applies to any agricultural tenancy, it is necessary to determine which type of tenancy is involved. There are currently three core pieces of legislation which govern agricultural tenancies in Scotland. These are:

- Agricultural Holdings (Scotland) Act 1991: ‘1991 Act’ tenancies (secure heritable tenancies)
- Agricultural Holdings (Scotland) Act 2003: Grazing or mowing leases, Short Limited Duration Tenancies (SLDT) and Limited Duration Tenancies (LDT)
- Land Reform (Scotland) Act 2016: Modern Limited Duration Tenancies (MLDT) and Repairing Tenancies

Agricultural Holdings (Scotland) Act 1991

All agricultural tenancies entered into prior to 27th November 2003 are 1991 Act Tenancies.

Tenancies granted under this act give security of tenure to the tenant for unlimited successive generations (i.e. a secure tenancy). The act sets out how rents should be calculated; how improvements should be compensated; how fixed equipment should be maintained and how disputes should be settled.

In order to circumvent the security of tenure granted by a full 1991 Act Tenancy, "Limited Partnerships" were developed.

A 1991 Act Tenancy (with all the legislation that governs this type of tenancy applying) was created but granted not to an individual but rather a partnership comprising the landowner or 'Limited Partner', and farmer 'General Partner'. If the landowner dissolves the partnership, then the tenant technically no longer exists and by this means the tenancy is ended. These partnerships were normally agreed to last for a defined period (often 15-20 years) and thereafter on a year-to-year basis (tacit relocation). Once the initial term has run its course the tenancy can be ended by the landowner withdrawing from the partnership. This can be done by serving notice on the General Partner.

Agricultural Holdings (Scotland) Act 2003

The 2003 Act came into force on 27 November 2003.

Grazing or mowing tenancies (grass lets)

These are agricultural tenancies where the land is let for grazing or mowing only and for a specific period of the year not exceeding 364 days.

When a Grazing or Mowing Tenancy has ended, the land may only be let again for the same purpose to the same tenant provided one clear day has elapsed between tenancies.

If, with the landowner's agreement (actual or assumed), the tenant continues to occupy the land after the tenancy period has ended, the tenancy is automatically converted to a Short Limited Duration Tenancy (SLDT).

Short Limited Duration Tenancies (SLDT)

These are agricultural tenancies where the letting is for not more than 5 years. There are no statutory rent provisions for a SLDT. SLDT's cannot be assigned to 3rd parties, but relatives can succeed to the tenancy. Statutory rules on fixed equipment and compensation for improvements at the end of tenancy apply. If the tenant continues in occupation at the end of a SLDT then a Modern Limited Duration Tenancy (MLDT) is automatically created. Where this happened before 30 November 2017 a Limited Duration Tenancy (LDT) was created.

Limited Duration Tenancies (LDT)

These are agricultural tenancies commenced before 30 November 2017 where the letting is for a minimum term of 10 years - with no upper limit (older LDT's were for a minimum of 15 years).

To end an LDT a Notice to Quit needs to be served by the landlord. This is a 2-staged process over three years. If the LDT is not terminated by notice at the expiry of the lease, there is instead a cycle of continuations. The tenant may terminate an LDT at the expiry of the contractual term or the expiry of a continuation by written notice given not less than one year and not more than two years notice.

The rules regarding repairs, improvements and rent reviews for LDT's are similar to those for 1991 Act Tenancies. LDT's can be assigned to a third party, subject to landlords' consent (landlords can only object on the grounds of the ability, finance or character of the assignee). Landlords can also pre-empt an assignation by matching the highest offer. A LDT also gives the tenant the ability to use land for a non-agricultural purpose (diversification). Since 30 November 2017 a new 'Modern Limited Duration Tenancy' has replaced the LDT (for new agreements – see below).

Changes to Agricultural Holdings (Scotland) Act 1991

The 2003 Act made the following changes to the 1991 Act:

- *Fixed Equipment* – Post Lease Agreements (PLA) can be removed by the tenant giving notice to the landlord following a rent review; writing-down agreements for tenants improvements are no longer valid (there is some debate to whether improvements fully written-down before 2003 are included in this); record of condition no longer required to be completed by a Recorder appointed by Government.
- *Rent* – Various instructions on how to set rents were included, for which recent court cases have provided legal interpretation.
- *Diversification* – now allowed on agricultural holdings. The landlord has the right to object. The tenant is able to appeal to the Land Court
- *Compensation for Vacant Possession* - compensation may be payable to a tenant where a tenant voluntarily gives up possession of a holding.
- *Assignation* – details in following sections.
- *Miscellaneous* – leases can no longer be terminated on grounds of non-residency; Consent from the Land Court is required on a Notice to Quit in most circumstances; the definition of good husbandry now extended to include conservation activities and diversification, as permitted under the 2003 Act.
- *Tenants Right to Buy* – provides a pre-emptive right of a tenant (under a 1991 act tenancy) to buy land tenanted by him if the landlord intends to sell i.e. the tenant has the right of first refusal, provided the tenant has registered his interest. Registration is required with the Register of Community Interests and needs to be renewed every 5 years.

Land Reform (Scotland) Act 2016

The Land Reform (Scotland) Act 2016 received Royal Assent on 22nd April 2016. Much of the detail is being dealt with through "Secondary Regulation", which is ongoing.

Modern LDT

A new tenancy has been created known as a Modern Limited Duration Tenancy (MLDT). The tenancy is for a minimum of 10 years and has many of the same features as an LDT. For new entrants (regulations have been made to define a "New Entrant") there is a clause where the tenancy may be broken after 5 years.

Assignment

A tenant has the right to assign the interest in the tenancy to any one of the persons mentioned in a new subsection of the 1991 Act: *any person who would, or would in any circumstances have been, entitled to succeed to the tenant's estate on intestacy by virtue of the Succession (Scotland) Act 1964*. The landlord's right to withhold consent, if there are reasonable grounds for doing so, continues to remain in force, unless the person to whom the assignment is being made is a near relative. The following list shows who qualifies as a near relative:

- A parent of the tenant.
- A spouse or civil partner of the tenant.
- A child of the tenant.
- A grandchild of the tenant.
- A brother or sister of the tenant.
- A spouse or civil partner of such a brother or sister.
- A child of a brother or sister of the tenant.
- A grandchild of a brother or sister of the tenant.
- A brother or sister of the tenant's spouse or civil partner.
- A spouse or civil partner of such a brother or sister.
- A child of such a brother or sister.
- A grandchild of such a brother or sister.

Where the assignee to a tenancy is a near relative the grounds upon which the landlord can object are restricted to the following:

- That the person is not of good character.
- That the person does not have sufficient resources to enable the person to farm the holding with reasonable efficiency.
- That the person has neither sufficient training in agriculture nor sufficient experience in the farming of land to enable the person to farm the holding with reasonable efficiency.

The provisions in relation to limited duration tenancies (LDT's) and Modern Limited Duration Tenancies (MLDT's) have been amended so that where the assignee is a near relative the grounds for objection are restricted to those mentioned above.

Succession

The succession provisions in relation to 1991 Act tenancies, repairing leases, LDT's and MLDT's are also made uniform.

The existing time limits to notify the landlord that a tenancy has been inherited remain in place. Where the lease permits a bequest of the tenant's interest, the tenancy must be accepted within 21 days of the death. In the case of intestate transfers, the deceased tenant's executors must transfer the tenancy to a suitable beneficiary within a year of the death. The beneficiary then has 21 days to notify the landlord that the acquisition has taken place. Where the successor, whether by bequest or on intestacy, is a near relative, the landlord has one month to object to

the succession. However, the grounds of objection are limited to these to those listed in the previous section (character, resources and experience).

The 2016 Act abolishes the ‘viable unit test’ in relation to the unit that is being inherited and it also removes the specific challenge that the successor is already in occupation of an independent viable unit elsewhere.

Landlord’s Improvements

Tenants now have the right to object to improvements proposed by their landlord. The landlord has the right of appeal to the Land Court.

Diversification

There are new rules regarding the ability of a landlord to object to a tenant’s diversification notice.

Amnesty for tenant’s improvements

The tenant’s improvements amnesty came into effect on 13 June 2017 and provided a 3-year window for tenants with 1991 Act Tenancies, SLDTs, LDTs and MLDTs. Due to COVID-19, the deadline was extended to 13 December 2020.

Relinquishment and assignation of 1991 Act Tenancies

This part of the Act was brought into force on 28th February 2021. It allows a tenant to assign their tenancy for value to a person “who is progressing in farming” or a “new entrant”. The landlord has a right of pre-emption. If a tenant wants to go down this route, they must offer to relinquish the tenancy to the landowner in the first instance (it is independently valued). If the landlord does not accept the tenants notice to relinquish, the tenant may then assign the tenancy.

The Scottish Land Commission has issued [a guide to the relinquishment and assignation process](#).

Irritancy for non-payment of rent

Irritancy Notices (a notice to quit) cannot be served for non-payment of rent on SLDT, LDT, MLDT & Repairing Tenancies unless a demand for payment within 2 months has been issued in writing by the landlord. This is not the case for 1991 Act Tenancies. For 1991 Act Tenancies, if rent is not paid, an Incontestable Notice to Quit can be served by the landowner (no rent demand is required).

Repairing Tenancies

A Repairing Tenancy has a minimum term of 35 years. The lease requires the tenant during the “repairing period” to improve the land into a state capable of being farmed. The repairing period will last 5 years, or longer if agreement between landlord and tenant or it can be extended by the Land Court.

***Land Reform (Scotland) Act 2016 reforms that have not commenced
(at the time of writing)***

Tenants' rights to buy

The requirement for a 1991 Act Tenant to register a right to buy has been removed. Tenants will now have a pre-emptive right to buy if a landlord “proposes to transfer the land or any part of it to another person”. Until this section becomes live, the requirement for tenants to register their right with the Registers of Scotland continues. For more information see: <https://www.ros.gov.uk/>

Sale where landlord in breach

This provision allows a tenant to apply to the Land Court for an “Order of Sale” if a landlord fails to comply with an order or award of the Land Court, regarding a material breach of the landlord’s obligations in relation to the tenant. The “order of sale” gives the tenant the right to buy the land comprised in the lease through the tenant’s pre-emptive right.

Rent review (1991 Act Tenancies)

The rent is to be a “fair rent”, which is to be a move away from the “open market” rent which has operated over recent years. The “fair rent” is to take account of the productive capacity of the holding; the open market rent of any surplus residential accommodation provided by the landlord; and the open market rent of any fixed equipment provided by the landlord or any land forming part of the holding not used for agriculture.

In the absence of agreement on rents, either party may apply to the Land Court to determine the rent.

The Scottish Government has appointed a group to carry out rent modelling. The favoured model will then undergo “road-testing” prior to being implemented. In the interim period, the industry has agreed to hold rents to inflationary rises only, this is being overseen by the Tenant Farming Commissioner. This is a voluntary agreement, supported by the industry stakeholders.

Rent review (LDT's, Modern LDT's and Repairing Tenancies)

The rent is to be set under the same guidance as the 1991 Act Tenancies. If there is no rent review provision in the lease, or the lease stipulates upward or landlord only initiated rent reviews, the statutory alternative applies.

Tenanted agricultural land rental figures (Scotland)

The following tables show median rental values for agricultural land by farm type and by tenancy agreement in Scotland for 2018-2020. These figures represent the latest available data which has been captured on a national level, as reported via the December agricultural survey. As from 2021, the December survey no longer includes this information.

Rents for farm type (all agreements excluding crofts and seasonal lets):

	2020		2019		2018	
	£/ha	£/ac	£/ha	£/ac	£/ha	£/ac
Cereals	137	55	134	54	137	55
General Cropping	143	58	149	60	143	58
Dairy	144	58	129	52	92	37
Cattle & Sheep non-LFA	127	51	121	49	129	52
Cattle & Sheep LFA	47	19	51	21	52	21
Mixed	123	50	123	50	118	48
Pigs & Poultry	125	50	154	62	124	50

Rents for tenancy agreement types:

	2020		2019		2018	
	£/ha	£/ac	£/ha	£/ac	£/ha	£/ac
Crofts/Small L'holdings	3	1	3	1	3	1
1991 Act						
<i>LFA</i>	47	19	52	21	55	22
<i>nLFA</i>	141	57	138	56	136	55
<i>P'ship</i>	75	30	75	30	83	34
SLDT	110	45	104	42	108	44
LDT	90	36	104	42	97	39
MLDT	86	35	87	35	87	35
Seasonal LFA	113	46	115	47	118	48
Seasonal nLFA	161	65	150	61	151	61

It must be noted that there will be a wide variation in rental values within each category illustrated above. Variables will include topology of the land, remoteness, length of tenancy, age of tenancy, facilities (e.g., houses, farm-buildings and equipment) included, and the amount of land rented. [More detail can be found here.](#)

Charges for Short-Term Lets and Services

Short-term let charges for arable crops, grass and buildings across Scotland vary greatly from year to year and area to area. The price will also be dependent on local practice, quality of facilities, season, market and land being offered.

Typically, for short-term lets of grassland, the period of let would be from 1 May until 31 October.

The prices shown below should be used only as a general guide and local advice should be taken for specific circumstances.

	Range	Average
	£/ha (£/ac)	
Grass park lets: rotational grass	75 - 790 (30 - 320)	348 (141)
permanent pasture	50 - 985 (20 - 400)	297 (120)
Rough grazing	25 - 123 (5 - 50)	64 (26)
Barley land let (unploughed)	173 - 296 (70 - 120)	232 (94)
Potato land let (seed and ware)	741 - 1,606 (300 - 650)	870 (352)
Vegetables - human consumption ¹	445 - 1,750 (180 - 708)	996 (403)
	£/head/week	
Sheep winter grazing	0.30 - 1.00	0.55
Sheep grazing forage crops	0.35 - 0.70	0.55
	£/head/week	
Cattle grazing - improved pasture ²	2.60 - 7.00	5.00
Cattle grazing - rough grazing ²	1.00 - 5.00	3.20
Letting courts ^{2,3}	5.00 - 16.00	9.75
Letting courts only ²	0.50 - 3.00	1.85
	£/t/week	
Grain storage ⁴	0.20 - 0.37	0.28
	£/tonne/month	
Potato storage (ambient air) ^{4,5}	1.00 - 2.00	1.43
Potato storage (refrigerated) ^{4,5}	4.00 - 6.40	5.53

¹ Including vining peas and beans, salads, brassicas, carrots/parsnips.

² Price range covers the type of stock grazed/housed, e.g. store calves, dry cows, cows with calves at foot.

³ Inclusive of bedding, silage and labour. Concentrates and vet/med additional.

⁴ Handling charges may be charged above base price.

⁵ In addition, £1.00 - 1.50/t box/month where potato boxes provided.

Basis of data: limited survey

Space Requirements for Livestock and Storage

The following space requirements are included here as a guide (minimum area required) only. For livestock, appropriate welfare codes and quality assurance regulations should be referred to in all cases.

Cattle space requirements

Liveweight (kg)	Total floor area (m²/hd)						
	200	300	400	500	600	700	800
Beef cattle - solid floors	3.00	3.95	4.90	5.85	6.80	7.75	8.70
Beef cattle - slatted courts	1.10	1.50	1.80	2.10	2.30	2.50	-
Cow and calf - straw *	-	-	-	5.00	6.00	6.50	7.30
Cow and calf - slats *	-	-	-	2.50	2.75	3.00	3.25
Dairy cows - solid floors	3.00	3.95	4.90	5.85	6.80	7.75	8.70

*excluding creep area

Liveweight (kg)	Total floor area (m²/hd)					
	60	85	140	200	250	400
Calves - loose housed	1.50	1.80	2.40	3.00	-	-

Liveweight (kg)	Cubicle/pen dimensions (m)						
	Calf pens				Cow cubicles		
	< 60	60-80	400	500	600	700	800
Long	1.50	1.80	2.05	2.35	2.40	2.50	2.55
Wide	0.75	1.00	1.05	1.12	1.15	1.18	1.20

Liveweight (kg)	Trough/access length requirements (mm/hd)							
	100	200	300	400	500	600	700	800
Simultaneous feeding	350	400	500	550	600	670	700	800
Ad-lib feeding	150	150	150	190	240	280	320	340

Sheep space requirements

	Total floor area (m²/hd)		
	Hoggs	Pregnant ewes	Ewes w/ lambs
Sheep - bedded courts	0.75 - 0.90	1.00 - 1.40	1.80 - 2.20
Sheep - slatted courts	0.40 - 0.60	0.80 - 1.10	1.00 - 1.70

	Trough/access length requirements (mm/hd)	
	Hoggs (45-65kg)	Ewes (60-90kg)
Simultaneous feeding	300	450 - 500
Ad-lib feeding	100 - 125	120 - 225

Pig space requirements

Liveweight (kg)	Total floor area (m²/hd)						
	<10	10-20	20-30	30-50	50-85	85-110	>110
Group loose housed	0.15	0.20	0.30	0.40	0.55	0.65	1.00

Liveweight (kg)	Trough/access length requirements (mm/hd)						
	5	10	15	35	60	90	120
Restricted feeding	100	130	150	200	230	280	300

Poultry space requirements

Laying Hens		
Enriched Cages	Stocking density	750 cm ² (approximately 13 birds/m ²)
	Nest/perch length	150 mm/bird
	Feed trough length	120 mm/bird
Barn or free range	Stocking density	9 birds/m ²
	Minimum litter area	0.025 m ² /bird
	Nest/perch length	150 mm/bird
	Feed trough length	100 mm/bird
	Nest space (only)	120 birds/m ²
Free range	Range area	<2500 birds/ha

Broiler Chickens		
Conventional	Stocking density	<33 kg/m ²
	Possible with permission	>33 - <39 kg/m ²
Free range	Stocking density	27.5 kg/m ²
	Range area	1 m ² /bird
Organic fixed housing	Stocking density	21 kg/m ²
	Range area	4 m ² /bird
Organic mobile housing	Stocking density	30 kg/m ²
	Range area	2.5 m ² /bird

Storage space requirements for crops, feeds and manures

Product	Space requirement
Wheat - whole grain	1.35 m ³ / t
Barley - whole grain	1.45 m ³ / t
Oats - whole grain	1.95 m ³ / t
Oilseed rape	1.45 m ³ / t
Beans and peas (combined)	1.16-1.19 m ³ / t
Distillers dark grains	1.82 m ³ / t
Draff (highly variable)	0.95-1.25 m ³ / t
Potatoes - bulk	1.42-1.59 m ³ / t
Potatoes - boxes	2.00-2.30 m ³ / t
Turnips/swedes	1.80 m ³ / t
Farm yard manure	1.1 m ³ / t

Weight and dimensions of hay, straw and silage bales

The weight of baled forages can vary a lot depending on the material being baled, type of baler and packing density, so weighing a selection of

bales, if possible, is the best estimate. Allowance should also be made for spoilage. The following table can be used as a guide.

Bale Type	Average weight (kg)		
	Hay	Straw	Silage
Round:			
1.20m x 1.20m	220-250	200-220	400-750
Rectangular:			
0.36m x 0.40m x 0.80m	19	16	36
0.40m x 0.46m x 0.90m	26	19	-
0.80m x 0.90m x 2.50m - mini hesston	290	250	350-650
1.20m x 1.30m x 2.50m - hesston	860	600	-
1.20m x 0.70m x 2.50m - quadrant	380	330	450-600
1.20m x 0.90m x 2.50m - 187	450	410	500

Silage density

To calculate the fresh weight of silage (tonnes) in pits (clamps) the following equation should be used:

$$\text{Silage (t FW)} = [\text{pit volume (m}^3\text{)} \times \text{density (kg/m}^3\text{)}] / 1000$$

The following table provides estimates for the density (kg/m³) for silages by considering the dry matter of the silage and the height of the pit. Grass, maize and wholecrop silages are of similar density.

Silage dry matter (%)	Clamp height (m)			
	2.0	2.5	3.0	4.0
20	780	840	890	950
25	690	730	775	830
30	620	660	690	740
35	570	600	625	670
40+	520	550	570	610

Source: DairyCo.

Water storage requirements

Water requirement for livestock and crops on farm will depend on various factors including animal size, feed intake, feed DM content, stage of production, crop type, rainfall, ground conditions, environmental temperature and management practices.

Significant volumes of water can be used on farm amounting to high water charges if metered mains water is the only water supply. The main water usage on farms includes, livestock drinking, dairy machinery (plate coolers), machinery (plant) and yard washing, crop spraying and irrigation and domestic use. There is potential to reduce annual water charges by investigating other water sources. These include boreholes, reservoirs (lagoons) and rainwater harvesting. With increasing climate change concerns, such systems will improve business efficiencies with both economic and environmental benefits (for more information see the Carbon section).

There are pros and cons to alternative water sources and planning and preparation is important when investigating new systems. Monitoring water use and ensuring there are no 'leaks' in the system (wastage, e.g. broken pipes, entry into slurry systems) is a key starting point. For further information on water use and for saving water on farms, see the following resources:

- <https://ahdb.org.uk/water-supply-problems-a-guide-for-livestock-farms>
- <https://ahdb.org.uk/knowledge-library/protecting-the-water-supply-for-your-crops>
- <http://www.ukia.org/>

Simple water storage tanks up to 10,000 litres could cost in the region of £1,000 while a rainwater harvesting system could be up to £2,600 for a large tank. These costs are ex VAT and do not include delivery and installation. For all the systems it is important to source specialist advice on storage requirements, regulation (local council, SEPA and quality assurance), design specifications (including water filters and treatment equipment) and installation.

The data below may be useful to help calculate water storage requirements on farm. All livestock figures are given as the volume of drinking water for one animal of the type described.

Cattle	
Dairy cow (in milk)	75-125 litres/day
Dairy cow (dry)	40-75 litres/day
Suckler cow (spring calving)	14-40 litres/day
(autumn calving)	40-70 litres/day
Calves	5 litres/day
Store cattle	15-50 litres/day
Finishing cattle	25-75 litres/day
Bulls	30-80 litres/day

Sheep	
Pregnant ewe	3-6 litres/day
Rams	3-6 litres/day
Intensively finished lamb	2 litres/day

Pigs	
Newly weaned	1.0-1.5 litres/day
Up to 20kg	1.0-2.0 litres/day
20-40kg	2.0-5.0 litres/day
Finishing pigs up to 100kg	5.0-6.0 litres/day
Sows and gilts (pre-serve and in-pig)	5.0-8.0 litres/day
Sows and gilts (in lactation)	15.0-30.0 litres/day
Boars	5.0-8.0 litres/day

Poultry	
Pullets	0.09 litres/day
Laying hens - caged	0.19-0.20 litres/day
Laying hens - non caged	0.19-0.22 litres/day
Broilers	0.19-0.20 litres/day
Ducks	1.22 litres/day
Turkeys	0.45-0.71 litres/day

Hose wash	
High pressure hose - typical flow rate (pumped)	1-2 m ³ /hr
Volume wash hose - typical flow rate (pumped)	5-10 m ³ /hr
Mains fed tap (example)	2.5 m ³ /hr
General parlour usage	18-45 litres/cow

Crop irrigation		
Spray gun		250 m ³ /ha
Spray boom	to apply 25 mm of	126 m ³ /ha
Drip tape	water per ha	18 m ³ /ha

Planning Permission and Building Warrant

In all cases of building work or change of use, it is advisable to consult with the local planning authority or take professional advice before development progresses.

As a rule, planning permission is required for all new developments and extensions including buildings, engineering, mining and other operations in, on, over or under land and for change of use of buildings or land. Following the recent adoption of the National Planning Framework 4 during February 2023, all new developments are now required to include appropriate measures to conserve, restore and enhance biodiversity.

Under the planning legislation, certain developments including proposed agricultural or forestry building works, demolition, freestanding domestic micro-wind turbines and domestic air-source heat pumps are considered permitted development. A developer must notify the planning authority of proposals using a Prior Notification form to determine whether prior approval in the form of a planning application is or is not required before exercising these rights.

Changes to the planning legislation which came into force on the 1st April 2021, significantly increases the size limit for agricultural buildings erected or extended (see requirements below) and also allows for the conversion of existing agricultural and forestry buildings to:

- Up to 5 dwellings (houses or flats), none of which may exceed 150m²
- Up to 500m² flexible commercial space

Scottish Planning Policy sets out the following requirements and fee structures. Contact your local planning authority or refer to The Town and Country Planning (Fees for Applications) (Scotland) Regulations 2022 for full context.

Prior Notification and Prior Approval

You should apply for prior notification and prior approval if any of the following apply:

- a) build or significantly alter/extend agricultural or forestry buildings. A significant alteration or extension is one which would result in:
 - the cubic content of the original building being increased by more than 20%, or
 - the height of the building exceeding the height of the original building
- b) form or alter a private way
- c) carry out excavation or engineering operations in relation to a farm or forestry undertaking

Application Fee is £100. The planning authority has 28 working days from receipt of application to respond and may request for a full planning application to be made if it considers that the development is likely to have a significant impact on the surroundings.

Prior Notification and Approval in relation to Agricultural and Forestry Private Ways

A developer should also apply for prior notification and prior approval to the relevant planning authority for the formation, or alteration, of agricultural or forestry private ways. No fee is applicable.

Planning Permission

Planning permission is always required if any of the following apply to the proposed development:

- a) carried out on farm holdings of less than 0.4 ha
- b) the construction, alteration or extension of a building (excluding permitted development)
- c) any buildings or works not designed for the purpose of agriculture
- d) the construction, extension or alteration of any building or structure or plant over:
 - i. 1000m² in area unless within National Parks or National Scenic Areas (this is calculated by adding the area of the proposed development and the area of any development within the unit that is to occur or has occurred within the preceding 2 years and would be within 90m of the proposed development), or
 - ii. 12m in height, or
 - iii. 3m in height where the building is within 3 km of an aerodrome
- e) within 25m of a metalled trunk or classified road
- f) the construction or carrying out of any works to a building used, or to be used, for housing intensive livestock or for storage of slurry or

sewage sludge where that building is within 400m of a protected building (a building normally occupied by people but buildings which form part of a working farm or certain specialist industrial buildings).

Planning fees, effective from 1st April 2022, are outlined below:

<i>Dwellinghouses</i>	
Planning permission in principle	
- one dwellinghouse	£600
- more than one dwellinghouse and the site area does not exceed 2.5 ha	£600 for each 0.1 ha
- more than one dwelling house and site area exceeds 2.5 ha	£600 for each 0.1 ha up to 2.5 ha plus £300 for each 0.1 ha in excess (maximum £75,000)
Detailed planning permission	
- dwellinghouses: not exceeding 10	£600 each dwellinghouse
- dwellinghouses: 11 – 50	£450 each dwellinghouse
- dwellinghouses: in excess of 50	£250 each dwelling to maximum £150,000
- enlargements, improvements or alterations to an existing dwelling house or flat and development within the cartilage of an existing dwelling house	£300
- erection or extension of buildings (other than dwelling houses or plant and machinery)	
- not exceeding 50m ²	£300
- >50-100m ²	£600
- >100-4,000 m ²	£600 + £600 for each 100 m ² (maximum £24,000)
- exceeds 4000m ²	£24,000 + £300 for each 100 m ² (maximum £150,000)
- ancillary buildings, fences, walls, roads, carparks etc.	£300

<i>Agricultural buildings</i>	
Planning permission in principle	
- agricultural building (excluding glasshouses) based on area covered by development	£600 for each 0.1 ha up to 2.5 ha of site area plus £300 for each 0.1 ha in excess (maximum £75,000)
Detailed planning permission	
- buildings up to 500 m ² floor area	£500
- buildings in excess of 500 m ²	£500 for each 100 m ² (maximum £25,000)

Agricultural buildings (continued)	
- glasshouses or polytunnels used for agricultural purposes	£100 for each 100 m ² (maximum £5,000)
Land	
Winning, working or storage of minerals and waste disposal	
- site area not exceeding 0.1ha	£1000
- site area 0.1ha – 15ha	£1000 plus £500 for each 0.1 ha
- site area 15ha+	£75,000 plus £250 for each 0.1ha (maximum £150,000)
Operations for extraction of peat	£500 per 0.1 ha (maximum £6,000)
Vehicular access, car parks, service roads for existing uses	£500
Other engineering works or operations on land e.g. installation of floodlights, car parks, roads etc. not serving existing uses	£1000 £1,000 plus £500 for each 0.1 ha
- site area not exceeding 0.1 ha	£8,500 plus £250 for each 0.1ha (maximum £150,000)
- site area 0.1 ha – 15 ha	
- site area exceeding 15 ha	

Planning permission is valid for 3 years and you are required to notify the local authority on commencement and completion of the works.

Building Warrant

A building warrant is a legal permission to erect, convert, alter, extend or demolish a building. It ensures that the building or structure is built in accordance with the standards set out by the Building (Scotland) Regulations 2004 and that it protects people's health, safety and welfare. Permission must be obtained from your local authority for most types of building and alterations works.

All agricultural buildings on agricultural land in Scotland are exempt from the need for a building warrant except for the following:

- Buildings used to any extent for retail purposes (including storage of goods or exhibiting).
- Buildings over 280m² in area.
- Buildings within 6m or the equivalent of its height (whichever is less) of a boundary.
- A dwelling, residential building, office, canteen, or visitor centre.
- A dungstead, slurry or farm effluent tank.

Some non-agricultural buildings and extensions such as small garages and porches do not require a building warrant (refer to the latest version of Scottish Governments Non-Domestic Technical Handbook for further guidance, see:

<http://www.scotland.gov.uk/Topics/Built-Environment/Building/Building-standards/publications/pubtech>

In general terms, there is no building warrant requirement for agricultural buildings in England and Wales. There is a responsibility to check whether the development is compliant with building regulations which falls under Building Control Bodies. For further information, refer to online guidance found in: www.planningportal.gov.uk.

Fees payable with applications for building warrants depend on the estimated cost of the building. For more information refer to The Building (Fees)(Scotland) Amendment Regulations 2024 or contact your local authority. As from April 2024, the fees are:

Building cost (£)	Fee
Up to 5,000	£200
5,001-10,000	£219 + £19 per every £500 thereafter
10,001 – 20,000	£412 + £22 per every £1000 thereafter
20,001-100,000	£681 + £71 per every £10,000 thereafter
100,001-500,000	£1,295 + £117 per every £20,000 thereafter
500,001-1,000,000	£3,720 + £202 per every £50,000 thereafter
1,000,001+	£5,538 + £287 for every additional £100,000 or part thereof
Amendment of warrant (if additional cost is less than original or increases by no more than £5,000)	£150
Extension to warrant	£150
Conversion only	£200
Demolition only	£200
Amendment of warrant for demolition only	£100
Application for late building warrant (where work has already started)	200% of the fees above
Application for late building warrant (demolitions only)	£250
Submission of a completion certificate (where no building warrant has been granted)	300% of the fees above
Submission of completion certificate (demolitions or conversion only)	£400

It is worth considering that the fees above may be reduced where certificates from approved certifiers of design and construction are presented with a warrant application. For further guidance please contact your local Building Standards department.

Building warrant permission is valid for 3 years and you must notify the local authority on commencement and completion of the works. You will also be issued with a Construction Compliance and Notification Plan (CCNP) which will provide details of the keys stages of works which are required to be inspected by your local Building Standards department.

Wayleaves and Easements

What is a Wayleave?

- In general terms, it is a contractual licence which gives operators the right to install, use and maintain its equipment and the owner/occupier is compensated by annual payments to cover the financial impact of having equipment on their land.
- A Wayleave is a temporary right for the operators to use a portion of land, including the right of ingress and egress across the property/land to reach the parcel of land.
- A Wayleave does not automatically transfer to a new owner or occupier.
- Landowners/occupiers are restricted from building or growing anything which may adversely impede access to the installed equipment and it may mean the parcel of land is not eligible for BPS (Basic Payment Scheme).
- It is recommended to seek advice from an experienced professional to negotiate and agree the payment rates. Landowners/occupiers affected should be paid for the losses incurred when any operations are carried out on their land including construction or ongoing maintenance, typical losses include loss of crops; reinstatement costs; general disturbance and damage; and extra costs incurred working around the site.

What is Deed of Servitude (Easement)?

- A Deed of Servitude (or Servitude for short) is a legally binding agreement between the landowner and the utility provider which provides operators rights over land which they do not own, providing greater security than a temporary Wayleave for the operator.
- A single capital payment is paid to the owner/occupier providing permanent access.
- Once granted a Servitude cannot be rescinded by the landowner/occupier.
- A Servitude can be registered in the Title Deeds at the Land Registry.
- It is worthwhile considering timescales in negotiating a Servitude which may affect your works.
- Different utilities have varying requirements when it comes to Servitude areas and rights. For example, underground cables within arable land do not prevent all normal agricultural activities taking place above, however there are restrictions on buildings within the servitude area. Gas pipes have wider areas of restricted development. These restrictions may mean the parcel of land is not eligible for BPS (Basic Payment Scheme).
- It is recommended to seek advice from an experienced agricultural professional who can advise on the implications of the easement in terms of farming operations to help negotiate and agree capital payment.

- Landowners can ask for previously agreed Wayleave agreements to be replaced with a one-off payment by processing a Servitude, but not the reverse.

Guide to Building Costs

For up-to-date building cost information please contact your local contractor/supplier. Following significant fluctuations in component and material prices, construction costs have seen significant inflation over recent years. The sector is still affected by the availability and increasing costs of labour and high energy prices. The BCIS (Building Cost Information Service) forecasts that Building costs will increase by 15% over the next five years (up to 2029).

In practice, the contractor's estimates will vary according to:

- site location, conditions and access
- area of the country
- specification and standard of finish of the building
- how familiar the contractor is with the type of work
- the contractor's current workload
- changes in cost of components and materials

To ensure you get an accurate estimate for the works, a detailed appraisal of the site conditions, services and existing building(s), together with detailed design drawings and a viable and appropriate specification should be provided.