

Stepping Back: Where to Start



National Advice Hub
T: 0300 323 0161
E: advice@fas.scot
W: www.fas.scot

It's never an easy decision to step back from an agricultural business and the thought of the tasks ahead can be daunting. We asked professionals and former farmers for their advice.

Talk about it!

The first thing to do when making the decision to either leave farming or make significant changes to your business is to discuss your plans with key people. These should include:

Family

All family members involved in the business should be involved in the decision to make a major change. Opening up the discussion at an early stage means that everyone gets a chance to voice their opinion. This can help family relationships going forward. It can also reduce the feeling of having to make a potentially huge decision on your own.

Lawyer

If your decision could involve the sale of all or part of the farm, it is important to speak to your lawyer at an early stage. They can help with, amongst other things, sorting out exactly who owns what, and providing maps and plans to the land agent.

If the farm is tenanted, speak to a specialist agricultural solicitor who can advise you on how much notice you need to give your landlord and any other issues that may arise from your lease. They can also help maximise any value that there might be in relinquishing your lease. Definitely speak to your lawyer before giving your landlord any indication that you may wish to end your lease.

If you haven't already, **make use of the Tenant's Improvement Amnesty** to formalise the status of any improvements that you have made.

Accountant

Getting the accountant involved at a very early stage is important. They can advise you on the most tax efficient way to change your business. This will make sure that you are left with as much as possible after any sale.

Land Agent

A land agent will be able to give you an accurate value for your farm. They can also advise you on the best time to put the farm on the market and whether it is best sold in lots or as a whole.



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Auctioneer

If you are thinking of selling your herd or flock get in touch with your auctioneer. They will be able to advise you on the state of the market and the value of your stock. They may be able to put you in touch with a buyer for the whole herd if that is required. Make sure all your passports and tags are in order so that any sale can go through smoothly and without delay.



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Agricultural Business Consultant

An agricultural business consultant will be able to advise on various elements of your plan including how it might impact on your ability to claim subsidy, and whether you could sell Basic Payment Scheme entitlements, as well as on the business finances during the winding-up period.



Make a plan!

Once you have decided to step back it is a good idea to have a plan, preferably in writing. This will:

- make sure nothing is left out or forgotten about
- let everyone involved see what is happening
- help keep the process on track
- help visualise an end point to the process and show where you will be at that point.

The plan may evolve after speaking to the various professionals involved, or you could incorporate contacting and meeting the various professionals as one of the actions.

You can get help with this by making use of an **Integrated Land Management Plan** which is partially funded by the Scottish Government. Contact the Farm Advisory Service helpline for more information.

You are not alone

It can be difficult to start the conversation about changing a business. Sometimes talking to someone outwith the business can be easier.

RSABI is a charity that supports people in Scottish agriculture. They have a helpline that can be accessed from 7am to 11pm 365 days a year.

The number is 0300 111 4166

You can also contact them online—visit www.rsabi.org.uk for more details.

