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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations introduce provisions for compensation for qualifying improvement work payable at the termination of a Scottish secure tenancy.

Regulation 3 prescribes qualifying improvement work with reference to the Schedule which details improvements that are to be regarded as qualifying improvements and the notional life of those improvements.

Regulation 4 prescribes the lower limit for compensation and specifies circumstances where no compensation is payable.

Regulation 5 provides a formula for calculating compensation and specifies the upper limit for compensation.

Regulation 6 sets out the procedure to be followed in relation to compensation claims.

Regulation 7 provides that a landlord can set off against compensation sums due to it by a qualifying person.

Regulation 8 sets out the procedures for review of decisions and allows a right of appeal to the sheriff.

These Regulations only apply in relation to improvement work begun after the Regulations come into effect.