



Agricultural Holdings (Scotland) Act 1991

1991 CHAPTER 55

PART IV

COMPENSATION FOR IMPROVEMENTS

36 Amount of compensation under this Part.

- (1) Subject to subsections (2) to (4) below, the amount of any compensation payable to a tenant under this Part of this Act shall be such sum as fairly represents the value of the improvement to an incoming tenant.
- (2) In the ascertainment of the amount of compensation payable in respect of an old improvement, there shall be taken into account any benefit which the landlord has given or allowed to the tenant (under the lease or otherwise) in consideration of the tenant carrying out the improvement.
- (3) In the ascertainment of the amount of compensation payable under this section for a new ^{F1}improvement—
 - (a) there shall be taken into account any benefit which the landlord has agreed in writing to give the tenant in consideration of the tenant carrying out the improvement; and
 - (b) where a grant has been or will be made to the tenant in respect of the improvement, subject to the conditions of the grant—
 - (i) if either the landlord or tenant has not made or will not make a contribution towards the cost of the improvement, or neither of them has made or will make such a contribution, the grant shall not be taken into account;
 - (ii) in any other case, there shall be taken into account such proportion of the grant as equals the proportion of the contribution by the tenant towards the cost of the improvement as a proportion of the total of his contribution added to that of the landlord.]
- (4) In ascertaining the amount of any compensation payable under section 34(6) of this Act, the ^{F2}Land Court] shall take into account any injury to or deterioration of

*Changes to legislation: There are currently no known outstanding effects for the
Agricultural Holdings (Scotland) Act 1991, Section 36. (See end of Document for details)*

the holding due to the contravention of the lease or agreement referred to in that subsection, except in so far as the landlord has recovered damages in respect of such injury or deterioration.

Textual Amendments

- F1** S. 36(3)(a)(b) and word substituted (27.11.2003) by [Agricultural Holdings \(Scotland\) Act 2003 \(asp 11\)](#), **ss. 44, 95(3), 95(4)** (with s. 95(2)); S.S.I. 2003/548, art. 2(d) (with sch.)
- F2** Words in s. 36(4) substituted (27.11.2003) by [Agricultural Holdings \(Scotland\) Act 2003 \(asp 11\)](#), s. 95(3)(4), **Sch. para. 25** (with s. 95(2)); S.S.I. 2003/548, art. 2(i) (with sch.)

Modifications etc. (not altering text)

- C1** S. 36 applied (13.6.2017) by [Land Reform \(Scotland\) Act 2016 \(asp 18\)](#), **ss. 117(3), 130(1)** (with s. 128); S.S.I. 2017/20, reg. 2, sch.

Changes to legislation:

There are currently no known outstanding effects for the Agricultural Holdings (Scotland) Act 1991, Section 36.