



Land Compensation Act 1973

1973 CHAPTER 26

PART III

PROVISIONS FOR BENEFIT OF PERSONS DISPLACED FROM LAND

Home loss payments

29 Right to home loss payment where person displaced from dwelling.

- (1) Where a person is displaced from a dwelling on any land in consequence of—
- (a) the compulsory acquisition of an interest in the dwelling;
 - (b) the making . . . ^{F1} or acceptance of a housing order . . . ^{F1} or undertaking in respect of the dwelling. . . ^{F2}
 - (c) where the land has been previously acquired by an authority possessing compulsory purchase powers or appropriated by a local authority and is for the time being held by the authority for the purposes for which it was acquired or appropriated, the carrying out of [^{F3}any improvement to the dwelling or of] redevelopment on the land,
 - [^{F4}(d) the carrying out of any improvement to the dwelling or of redevelopment on the land by a housing association which has previously acquired the land and at the date of the displacement is [^{F5}a registered social landlord within the meaning of the Housing Act 1985 (see section 5(4) and (5) of that Act)];
 - [^{F6}(e) the making of an order for possession on ground 10 or 10A in Part II of Schedule 2 to the Housing Act 1985;] he shall, subject to the provisions of this section and section 32 below, be entitled to receive a payment (hereafter referred to as a “home loss payment”) from
 - [^{F7}(i) where paragraph (a) above applies, the acquiring authority;
 - (ii) where paragraph (b) above applies, the authority who made the order, ^{F8} . . . , accepted the undertaking or served the notice;
 - (iii) where paragraph (c) above applies, the authority carrying out the improvement or redevelopment; ^{F9} . . .

Status: Point in time view as at 01/10/1997.

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(iv) where paragraph (d) above applies, the housing association carrying out the improvement or redevelopment.]]^{F10}and]

[^{F11}(v) where paragraph (e) [^{F12}above] applies, the landlord.]

[^{F13}(2) A person shall not be entitled to a home loss payment unless the following conditions have been satisfied throughout the period of one year ending with the date of displacement—

(a) he has been in occupation of the dwelling, or a substantial part of it, as his only or main residence; and

(b) he has been in such occupation by virtue of an interest or right to which this section applies,

but, if those conditions are satisfied on the date of displacement, a payment (referred to in this section and sections 32 and 33 below as a “discretionary payment”) may be made to him of an amount not exceeding the amount to which he would have been entitled if he had satisfied those conditions throughout that period.]

(3) For the purposes of this section a person shall not be treated as displaced from a dwelling in consequence of the compulsory acquisition of an interest therein if he gives up his occupation thereof before the date on which the acquiring authority were authorised to acquire that interest, but, subject to that, it shall not be necessary for the acquiring authority to have required him to give up his occupation of the dwelling.

[^{F14}(3A) For the purposes of this section a person shall not be treated as displaced from a dwelling in consequence of the acceptance of an undertaking, ^{F15}. . . or of the carrying out of any improvement to the dwelling unless he is permanently displaced from it in consequence of the carrying out of the works specified in the undertaking or notice or, as the case may be, of the improvement in question.]

(4) This section applies to the following interests and rights—

(a) any interest in the dwelling;

[^{F16}(b) a right to occupy the dwelling—

(i) as a statutory tenant within the meaning of the Rent (Agriculture) Act 1976 or the Rent Act 1977, or

(ii) under a contract to which section 19 of the Rent Act 1977 (restricted contracts) applies or would apply if the contract or dwelling were not excluded by section 19(3) to (5) or 144 of that Act]

(c)^{F17}

(d) a right to occupy the dwelling under a contract of employment.

[^{F18}(e) a right to occupy the dwelling under a licence where—

(i) it is a right to occupy as a protected occupier within the meaning of the Rent (Agriculture) Act 1976,

(ii) Part IV of the Housing Act 1985 (secure tenancies) applies to the licence, ^{F19}. . .

(iii) the licence is an assured agricultural occupancy within the meaning of Part I of the Housing Act 1988]]^{F20}, or

(iv) Chapter 1 of Part V of the Housing Act 1996 (introductory tenancies) applies to the licence.]

^{F21}(5)

(6) Where an authority possessing compulsory purchase powers acquire the interest of any person in a dwelling by agreement, then, in relation to any other person who is

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displaced from the dwelling in consequence of the acquisition, subsections (1) to (4) above shall have effect as if the acquisition were compulsory and the authority (if not authorised to acquire the interest compulsorily) had been so authorised on the date of the agreement.

[^{F22}(7) In this section “a housing order or undertaking” means—

- (a) a demolition or closing order, or an obstructive building order, under Part IX of the Housing Act 1985 (slum clearance);
- (b) a closing order under section 368(4) of that Act (closing of multi-occupied house with inadequate means of escape from fire);
- (c) an undertaking accepted under section. . . ^{F23} 368 of that Act. . . ^{F23}]

[^{F24}(7A) In this section—

“improvement” includes alteration and enlargement; and
“redevelopment” includes a change of use.]

- (8) Where an interest in a dwelling is vested in trustees (other than a sole tenant for life within the meaning of the ^{M1}Settled Land Act 1925) and a person beneficially entitled (whether directly or derivatively) under the trusts is entitled or permitted by reason of his interest to occupy the dwelling, he shall be treated for the purposes of this section as occupying it by virtue of an interest in the dwelling.

. . . ^{F1}

- (9) This section applies if the date of displacement is on or after 17th October 1972.

Textual Amendments

- F1** Words repealed by [Land Compensation \(Scotland\) Act 1973 \(c. 56\)](#), **Sch. 2 Pt. I**
- F2** Words repealed by [Local Government and Housing Act 1989 \(c. 42, SIF 81:1\)](#), s. 194(4), **Sch. 12 Pt. II**
- F3** Words inserted by [Housing Act 1974 \(c. 44\)](#), s. 130, **Sch. 13 para. 38(1)(b)**
- F4** [S. 29\(1\)\(d\)](#) substituted by [Housing \(Consequential Provisions\) Act 1985 \(c. 71, SIF 61\)](#), s. 4, **Sch. 2 para. 24(2)(b)**
- F5** Words in [s. 29\(1\)\(d\)](#) substituted (1.10.1996) by S. I 1996/2325, art. 5(1), Sch. 2 para. 3(2)
- F6** [S. 29\(1\)\(e\)](#) inserted by [Housing and Planning Act 1986 \(c. 63, SIF 61\)](#), **s. 9(3)(a)**
- F7** Paras. (i) to (iv) substituted for words by [Housing Act 1974 \(c. 44\)](#), s. 130, **Sch. 13 para. 38(1)(c)**
- F8** Words in [s. 29\(1\)\(ii\)](#) repealed (25.09.1991 subject to the restrictions referred to in S.I. 1991/2067, **art. 4**) by [Planning and Compensation Act 1991 \(c. 34, SIF 28:1\)](#), ss. 70, 84(6), Sch. 15 para. 22(2)(a), **Sch. 19 Pt. III** (with s. 84(5)); S.I. 1991/2067, **art. 3**.
- F9** Word following [s. 29\(1\)\(iii\)](#) repealed (25.09.1991 subject to the restrictions referred to in S.I. 1991/2067, **art. 4**) by [Planning and Compensation Act 1991 \(c. 34, SIF 28:1\)](#), ss. 70, 84(6), Sch. 15 para. 22(2)(b), **Sch. 19 Pt. III** (with s. 84(5)); S.I. 1991/2067, **art. 3**
- F10** Word in [s. 29\(1\)](#) inserted (25.09.1991 subject to the restrictions referred to in S.I. 1991/2067, **art. 4**) by [Planning and Compensation Act 1991 \(c. 34, SIF 28:1\)](#), s. 70, **Sch. 15 para. 22(2)(c)** (with s. 84(5)); S.I. 1991/2067, **art. 3**.
- F11** [S. 29\(1\)\(v\)](#) inserted by [Housing and Planning Act 1986 \(c. 63, SIF 61\)](#), **s. 9(3)(b)**
- F12** Word in [s. 29\(1\)\(v\)](#) inserted (25.09.1991 subject to the restrictions referred to in S.I. 1991/2067, **art. 4**) by [Planning and Compensation Act 1991 \(c. 34, SIF 28:1\)](#), s. 70, **Sch. 15 para. 22(2)(d)** (with s. 84(5)); S.I. 1991/2067, **art. 3**.
- F13** [S. 29\(2\)](#) substituted (25.09.1991) by [Planning and Compensation Act 1991 \(c. 34, SIF 28:1\)](#), **s. 68(1)(9)** (with s. 84(5)); S.I. 1991/2067, **art. 3**.
- F14** [S. 29\(3A\)](#) inserted by [Housing Act 1974 \(c. 44\)](#), s. 130, **Sch. 13 para. 38(2)**

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- F15** Words in s. 29(3A) repealed (25.09.1991 subject to the restrictions referred to in S.I. 1991/2067, **art. 4**) by Planning and Compensation Act 1991 (c. 34, SIF 28:1), ss. 70, 84(6), Sch. 15 para. 22(3), **Sch. 19 Pt. III** (with s. 84(5)); S.I. 1991/2067, **art. 3**.
- F16** S. 29(4)(b) substituted (25.09.1991 subject to the restrictions referred to in S.I. 1991/2067, **art. 4**) by Planning and Compensation Act 1991 (c. 34, SIF 28:1), s. 70, **Sch. 15 para. 22(4)(a)** (with s. 84(5)); S.I. 1991/2067, **art. 3**.
- F17** S. 29(4)(c) repealed by Land Compensation (Scotland) Act 1973 (c. 56), **Sch. 2 Pt. I**
- F18** S. 29(4)(e) substituted (25.09.1991 subject to the restrictions referred to in S.I. 1991/2067, **art. 4**) by Planning and Compensation Act 1991 (c. 34, SIF 28:1), s. 70, **Sch. 15 para. 22(4)(b)** (with s. 84(5)); S.I. 1991/2067, **art. 3**.
- F19** Word in s. 29(4)(e) omitted (12.2.1997) by virtue of S.I. 1997/74, art. 2, **Sch. para. 1**
- F20** S. 29(4)(e)(iv) and word immediately preceding it inserted (12.2.1997) by S.I. 1997/74, art. 2, **Sch. para. 1**
- F21** S. 29(5) repealed (25.09.1991) by Planning and Compensation Act 1991 (c. 34, SIF 28:1), ss. 68(2)(9), 84(6), **Sch. 19 Pt. III** (with s. 84(5)); S.I. 1991/2067, **art. 3**
- F22** S. 29(7) substituted by Housing (Consequential Provisions) Act 1985 (c. 71, SIF 61), s. 4, **Sch. 2 para. 24(2)(d)**
- F23** Words repealed by Local Government and Housing Act 1989 (c. 42, SIF 81:1), s. 194(4), **Sch. 12 Pt. II**
- F24** S. 29(7A) inserted by Housing Act 1974 (c. 44), s. 130, **Sch. 13 para. 38(3)**

Modifications etc. (not altering text)

- C1** References to Rent Act 1968, ss. 70(3)(a) and 71 of that Act, and to a Part VI contract to be construed respectively as references to Rent Act 1977 (c. 42), **ss. 19** and 144 of that Act, and to a restricted contract: Rent Act 1977 (c. 42), **Sch. 24 para. 1(8)** and Interpretation Act 1978 (c. 30), **s. 17(2)(a)**.

Marginal Citations

- M1** 1925 c. 18.

[^{F25}29A Spouses having statutory rights of occupation.

- (1) This section applies where, by reason of the entitlement of one spouse (“A”) to occupy a dwelling by virtue of an interest or right to which section 29 above applies, the other spouse (“B”) acquires [^{F26}matrimonial home rights (within the meaning of Part IV of the Family Law Act 1996)] .
- (2) So long as—
- (a) those [^{F27}matrimonial home rights] continue,
 - (b) B is in occupation of the dwelling and A is not, and
 - (c) B is not, apart from this section, treated as occupying the dwelling by virtue of an interest or right to which that section applies,
- B shall be treated for the purposes of that section as occupying the dwelling by virtue of such an interest (but not an owner’s interest within the meaning of section 30 below).
- (3) References in this section to a dwelling include a reference to a substantial part of it.

Textual Amendments

- F25** S. 29A inserted (25.09.1991 subject to the restrictions referred to in S.I. 1991/2067, **art. 4**) by Planning and Compensation Act 1991 (c. 34, SIF 28:1), **s. 69** (with s. 84(5)); S.I. 1991/2067, **art. 3**.
- F26** Words in s. 29A(1) substituted (1.10.1997) by 1996 c. 27, s. 66(1), **Sch. 8 Pt. III para. 48(2)** (with Sch. 9 paras. 8, 9, 10); S.I. 1997/1892, **art. 3(1)(b)**

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F27 Words in s. 29A(2)(a) substituted (1.10.1997) by 1996 c. 27, s. 66(1), **Sch. 8 Pt. III para. 48(3)** (with Sch. 9 paras. 8, 9, 10); S.I. 1997/1892, **art. 3(1)(b)**

[^{F28}30 Amount of home loss payment in England and Wales.

- (1) In the case of a person who on the date of displacement is occupying, or is treated for the purposes of section 29 above as occupying, the dwelling by virtue of an interest in it which is an owner's interest, the amount of the home loss payment shall be 10 per cent. of the market value of his interest in the dwelling or, as the case may be, the interest in the dwelling vested in trustees, subject to a maximum of £15,000 and a minimum of £1,500.
- (2) In any other case, the amount of the home loss payment shall be £1,500.
- (3) For the purposes of this section and section 32 below the market value of an interest in a dwelling—
 - (a) in a case where the interest is compulsorily acquired, is the amount assessed for the purposes of the acquisition as the value of the interest; and
 - (b) in any other case, is the amount which, if the interest were being compulsorily acquired in pursuance of a notice to treat served on the date of displacement, would be assessed for the purposes of the acquisition as the value of the interest,and any dispute as to the amount referred to in paragraph (b) above shall be determined by the Lands Tribunal.
- (4) In determining for the purposes of this section and section 32 below the market value of an interest in a dwelling, the dwelling shall be taken to include any garden, yard, outhouses and appurtenances belonging to or usually enjoyed with that dwelling.
- (5) The Secretary of State may from time to time by regulations prescribe a different maximum or minimum for the purposes of subsection (1) above and a different amount for the purposes of subsection (2) above.
- (6) The power to make regulations under subsection (5) above shall be exercisable by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- (7) In this section “owner's interest” means the interest of a person who is an owner as defined in section 7 of the ^{M2}Acquisition of Land Act 1981.]

Textual Amendments

F28 S. 30 substituted (25.09.1991) by Planning and Compensation Act 1991 (c. 34, SIF 28:1), **s. 68(3)(9)** (with s. 84(5)); S.I. 1991/2067, **art. 3.**

Marginal Citations

M2 1981 c. 67

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Textual Amendments

F29 Ss. 28(5), 31 repealed by [Land Compensation \(Scotland\) Act 1973 \(c. 56\)](#), **Sch. 2 Pt. I**

32 Supplementary provisions about home loss payments.

- [^{F30}(1) No home loss payment or discretionary payment shall be made except on a claim in writing made by the claimant giving such particulars as the authority responsible for making the payment may reasonably require for the purpose of determining whether the payment should be made and, if so, its amount.
- (2) Where a person is entitled to a home loss payment, the payment shall be made on or before the latest of the following dates—
- (a) the date of displacement;
 - (b) the last day of the period of three months beginning with the making of the claim; and
 - (c) where the amount of the payment is to be determined in accordance with section 30(1) above, the day on which the market value of the interest in question is agreed or finally determined.
- (2A) Where the amount of the payment is to be determined in accordance with section 30(1) above—
- (a) the acquiring authority may at any time make a payment in advance; and
 - (b) if, on the later of the dates referred to in subsection (2)(a) and (b) above, the market value of the interest in question has not been agreed or finally determined, the acquiring authority shall make a payment in advance (where they have not already done so).
- (2B) The amount of the payment in advance shall be the lesser of—
- (a) the maximum amount for the purposes of section 30(1) above,
 - (b) 10 per cent. of the amount agreed to be the market value of the interest in question or, if there is no such agreement, 10 per cent. of the acquiring authority's estimate of that amount.
- (2C) Where the amount of a payment in advance differs from the amount of the home loss payment, the shortfall or excess shall be paid by or, as the case may be, repaid to the acquiring authority when the market value of the interest in question is agreed or finally determined.
- (3) Where the claimant has satisfied, throughout any period, the conditions mentioned in section 29(2) above, that period shall be treated for the purposes of that subsection as including any immediately preceding period throughout which—
- (a) he has resided in the dwelling as his only or main residence but without satisfying those conditions, and
 - (b) another person or other persons have satisfied those conditions,
- and references in this subsection and subsection (3A) below to a dwelling include a reference to a substantial part of it.
- (3A) Where the claimant has satisfied, throughout any period, the conditions mentioned in section 29(2) above, that period (or that period as extended under subsection (3) above) shall be treated for the purposes of section 29(2) above as including any immediately preceding period, or successive periods, throughout which he satisfied the conditions

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mentioned in section 29(2) above in relation to another dwelling or, as the case may be, other dwellings (applying subsection (3) above to determine the length of any period or periods).]

- (4) [^{F31}Where a person (“the deceased”) entitled to a home loss payment dies without having claimed it, a claim to the payment may be made], by any person, not being a minor, who—
 - (a) throughout a period of not less than [^{F32}one year] ending with the date of displacement of the deceased, has resided in the dwelling, or a substantial part of it, as his only or main residence; and
 - (b) is entitled to benefit by virtue of testamentary dispositions taking effect on, or the law of intestate succession or the right of survivorship between joint tenants as applied to, the death of the deceased.
 - (5) Where the claimant has successively been in occupation of or resided in different dwellings in the same building, being dwellings consisting of a room or rooms not constructed or structurally adapted for use as a separate dwelling, section 29(2) above and subsections [^{F33}(3) to (4)] above shall have effect as if those dwellings were the same dwelling.
 - (6) Where there are two or more persons entitled to make a claim to a home loss payment in respect of the same dwelling (whether by virtue of joint occupation or of subsection (4) above) the payment to be made on each claim shall be equal to the whole amount of the home loss payment divided by the number of such persons.
 - (7) Where an interest in a dwelling is acquired by agreement by an authority possessing compulsory purchase powers, the authority may, in connection with the acquisition, make to the person from whom the interest is acquired a payment corresponding to any home loss payment [^{F34}or discretionary payment] which they would be required [^{F34}or authorised] to make to him if the acquisition were compulsory and the authority had been authorised to acquire that interest before he gave up occupation of the dwelling.
- [^{F35}(7A) For the purposes of the ^{M3}Limitation Act 1939 a person’s right of action to recover a home loss payment shall be deemed to have accrued on the date of displacement.]
- [^{F36}(7B) Where a landlord obtains possession by agreement of a dwelling subject to a secure tenancy within the meaning of Part IV of the Housing Act 1985 and—
 - (a) notice of proceedings for possession of the dwelling has been served, or might have been served, specifying ground 10 or 10A in Part II of Schedule 2 to that Act, or
 - (b) the landlord has applied, or could apply, to the Secretary of State or the Housing Corporation [^{F37}or Housing for Wales] for approval for the purposes of ground 10A of a redevelopment scheme including the dwelling, or part of it, the landlord may make to [^{F38}any person giving up possession or occupation] a payment corresponding to any home loss payment [^{F34}or discretionary payment] which they would be required [^{F34}or authorised] to make to him if an order for possession had been made on either of those grounds.]
- (8) F39
 - (9) F40

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Textual Amendments

- F30** S. 32(1)-(3A) substituted (25.09.1991) for s. 32(1)-(3) by [Planning and Compensation Act 1991 \(c. 34, SIF 28:1\)](#), [s. 68\(4\)\(9\)](#) (with s. 84(5)); S.I. 1991/2067, [art. 3](#).
- F31** Words substituted by [Local Government, Planning and Land Act 1980 \(c. 65\)](#) s. 114(3)(6) except in cases where the date of displacement was more than 6 months before 13.11.1980
- F32** Words in s. 32(4) substituted (25.09.1991) by [Planning and Compensation Act 1991 \(c. 34, SIF 28:1\)](#), [s. 68\(5\)\(9\)](#)(with s. 84(5)); S.I. 1991/2067, [art.3](#)
- F33** Words in s. 32(5) substituted (25.09.1991) by [Planning and Compensation Act 1991 \(c. 34, SIF 28:1\)](#), [s. 68\(6\)\(9\)](#) (with s. 84(5)); S.I. 1991/2067,art. 3.
- F34** Words in s. 32(7)(7B) inserted (25.09.1991) by [Planning and Compensation Act 1991 \(c. 34, SIF 28:1\)](#), [s. 68\(7\)\(9\)](#) (with s. 84(5)); S.I. 1991/2067,art. 3.
- F35** S. 32(7A) inserted by [Local Government, Planning and Land Act 1980 \(c. 65\)](#), [s. 114\(4\)\(6\)](#) except in cases where the date of displacement was more than 6 months before 13.11.1980
- F36** S. 32(7B) inserted by [Housing and Planning Act 1986 \(c. 63, SIF 61\)](#), [s. 9\(4\)](#)
- F37** Words inserted by [Housing Act 1988 \(c. 50, SIF 61\)](#), s. 140(1), [Sch. 17 Pt. II para. 94](#)
- F38** Words in s. 32(7B) substituted (25.09.1991) subject to the restrictions referred to in S.I. 1991/2067, [art. 4](#)) by [Planning and Compensation Act 1991 \(c. 34, SIF 28:1\)](#), s. 70, [Sch. 15 para.23](#) (with s. 84(5)); S.I. 1991/2067, [art. 3](#).
- F39** S. 32(8) repealed by [Local Government, Planning and Land Act 1980 \(c. 65\)](#), [Sch. 34 Pt XII](#)
- F40** S. 32(9) repealed by [Land Compensation \(Scotland\) Act 1973 \(c. 56\)](#), [Sch. 2 Pt. I](#)

Marginal Citations

- M3** 1939 c. 21.

33 Home loss payments for certain caravan dwellers.

- (1) Sections 29 to 32 above shall, so far as applicable, have effect in relation to a person residing in a caravan on a caravan site who is displaced from that site as they have effect in relation to a person displaced from a dwelling on any land but shall so have effect subject to the following modifications.
- (2) No home loss payment [^{F41}or discretionary payment] shall be made to any person by virtue of this section except where no suitable alternative site for stationing a caravan is available to him on reasonable terms.
- (3) Subsection (1) of section 29 above shall have effect as if for the words preceding paragraph (a) there were substituted the words “Where a person residing in a caravan on a caravan site is displaced from that site in consequence of” and subsection (2) of that section shall have effect as if for paragraphs (a) and (b) there were substituted—
- [^{F42c}(a) he has been in occupation of the caravan site by using a caravan stationed on it as his only or main residence; and
- (b) he has been in such occupation of the site by virtue of an interest or right to which this section applies.”]
- [^{F43}(4) Section 30 above shall have effect as if the references to a person occupying a dwelling by virtue of an interest in it and to his interest in the dwelling were to a person occupying a caravan site by virtue of an interest in it and to that interest.]
- (5) Section 32 above shall have effect—
- [^{F44}(a) as if in subsections (3) and (3A) the references to a dwelling were to a caravan site;]

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- (b) as if in subsection (4) for the words “resided in the dwelling, or a substantial part of it” there were substituted the words “resided in a caravan on the caravan site”; and
- (c) as if for subsection (5) there were substituted—
 - “(5) Where any land comprises two or more caravan sites and the claimant has successively been in occupation of or resided in a caravan on different caravan sites on that land, section 29(2) above and subsections [F45(3) to (4)] above shall have effect as if those sites were the same site.”
- (6) Sections 29 to 32 above shall have effect as if in any provision not modified as aforesaid for any reference to a dwelling or land there were substituted a reference to a caravan site.
- (7) In this section “caravan site” means land on which a caravan is stationed for the purpose of human habitation and land which is used in conjunction with land on which a caravan is so stationed.

Textual Amendments

- F41 Words in s. 33(2) inserted (25.09.1991) by Planning and Compensation Act 1991 (c. 34, SIF 28:1), s. 68(8)(a)(9)(with s. 84(5)); S.I. 1991/2067, art.3
- F42 Words in s. 33(3) substituted (25.09.1991) by Planning and Compensation Act 1991 (c. 34, SIF 28:1), s. 68(8)(b)(9) (with s. 84(5)); S.I. 1991/2067, art. 3.
- F43 S. 33(4) substituted (25.09.1991) by Planning and Compensation Act 1991 (c. 34, SIF 28:1), s. 68(8)(c)(9) (with s. 84(5)); S.I. 1991/2067, art. 3.
- F44 S. 33(5)(a) substituted (25.09.1991) by Planning and Compensation Act 1991 (c. 34, SIF 28:1), s. 68(8)(d)(9) (with s. 84(5)); S.I. 1991/2067, art.3.
- F45 Words in s. 33(5)(c) substituted (25.09.1991) by Planning and Compensation Act 1991 (c. 34, SIF 28:1), s. 68(8)(d)(9) (with s. 84(5)); S.I. 1991/2067, art. 3.

Farm loss payments

34 Right to farm loss payment where person displaced from agricultural unit.

- (1) Where land constituting or included in an agricultural unit is land in respect of which the person in occupation of the unit has an owner’s interest, then if—
 - [F46(a) in consequence of the compulsory acquisition of his interest in the whole, or a sufficient part, of that land, he is displaced from the land acquired]; and
 - (b) not more than three years after the date of displacement he begins to farm another agricultural unit (“the new unit”) elsewhere in Great Britain,he shall, subject to the provisions of this section and section 36 below, be entitled to receive a payment (hereafter referred to as a “farm loss payment”) from the acquiring authority.
- (2) In subsection (1) above “owner’s interest” means a freehold interest or a tenancy [F47 where his interest is as tenant for a year or from year to year or a greater interest, and “sufficient part” means not less than 0.5 hectares or such other area as the Secretary of State may by order specify].

Status: Point in time view as at 01/10/1997.

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[^{F48}(2A) The power to make an order under subsection (2) above shall be exercisable by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.]

(3) For the purposes of this section a person is displaced from land in consequence of the compulsory acquisition of his interest therein if, and only if, he gives up possession thereof—

- (a) on being required to do so by the acquiring authority [^{F49}or on any date after the making or confirmation of the compulsory purchase order but before being required to do so by the acquiring authority];
- (b) on completion of the acquisition; or
- (c) where the acquiring authority permit him to remain in possession of the land under a tenancy or licence of a kind not making him a tenant as defined in the [^{F50}Agricultural Holdings Act 1986], on the expiration of that tenancy or licence;

and references in this section and section 35 below to the date of displacement are references to the date on which the person concerned gives up possession as aforesaid.

(4) No farm loss payment shall be made to any person unless on the date on which he begins to farm the new unit he is in occupation of the whole of that unit in right of a freehold interest therein or a tenancy thereof, not having been entitled to any such interest or tenancy before the date on which the acquiring authority were authorised to acquire his interest in the land acquired.

(5) No farm loss payment shall be made by virtue of the displacement of a person from any land if he is entitled to a payment under section 12 of the ^{M4}Agriculture (Miscellaneous Provisions) Act 1968 in consequence of the acquisition of an interest in, or the taking of possession of, that land.

(6) ^{F51}

(7) ^{F52}

(8) This section applies if the date of displacement is on or after 17th October 1972.

Textual Amendments

- F46** S. 34(1)(a) substituted (25.09.1991 subject to the restrictions referred to in S.I. 1991/2067, **art. 4**) by Planning and Compensation Act 1991 (c. 34, SIF 28:1), s. 70, **Sch. 15 para. 6(2)**; S.I. 1991/2067, **art.3**
- F47** Words in s. 34(2) substituted (25.09.1991 subject to the restrictions referred to in S.I. 1991/2067, **art. 4**) by Planning and Compensation Act 1991 (c. 34, SIF 28:1), s. 70, **Sch. 15 para. 6(3)** (with s. 84(5)); S.I. 1991/2067, **art. 3**.
- F48** S. 34(2A) inserted (25.09.1991 subject to the restrictions referred to in S.I. 1991/2067, **art. 4**) by Planning and Compensation Act 1991 (c. 34, SIF 28:1), s. 70, **Sch. 15 para. 6(4)** (with s. 84(5)); S.I. 1991/2067, **art. 3**.
- F49** Words in s. 34(3)(a) added (25.09.1991 subject to the restrictions referred to in S.I. 1991/2067, **art. 4**) by Planning and Compensation Act 1991 (c. 34, SIF 28:1), s. 70, **Sch. 15 para. 6(5)** (with s. 84(5)); S.I. 1991/2067, **art. 3**.
- F50** Words substituted by Agricultural Holdings Act 1986 (c. 5, SIF 2:3), s. 100, **Sch. 14 para. 52**
- F51** S. 34(6) repealed (25.09.1991 subject to the restrictions referred to in S.I. 1991/2067, **art. 4**) by Planning and Compensation Act 1991 (c. 34, SIF 28:1), ss. 70, 84(6), Sch. 15 para. 6(6), **Sch. 19 Pt. III** (with s. 84(5)); S.I. 1991/2067, **art. 3**.

Status: Point in time view as at 01/10/1997.

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F52 S. 34(7) repealed by [Land Compensation \(Scotland\) Act 1973 \(c. 56\)](#), [Sch. 2 Pt. I](#)

Marginal Citations

M4 1968 c. 34.

35 Amount of farm loss payment.

- (1) Subject to the provisions of this section, the amount of any farm loss payment shall be equal to the average annual profit derived from the use for agricultural purposes of the agricultural land comprised in the land acquired; and that profit shall be computed by reference to the profits for the three years ending with the date of displacement or, if the person concerned has then been in occupation for a shorter period, that period.
- (2) Where accounts have been made up in respect of the profits of the person concerned for a period or consecutive periods of twelve months and that period or the last of them ends not more than one year before the date of displacement, subsection (1) above shall have effect as if the date on which that period or the last of those periods ends were the date of the displacement.
- (3) Where the date of displacement is determined in accordance with section 34(3)(c) above and the person concerned has on that date been in occupation for more than three years, he may elect that the average annual profit shall, instead of being computed by reference to the profits for the years mentioned in subsection (1) above, be computed by reference to the profits for—
 - (a) any three consecutive periods of twelve months for which accounts in respect of his profits have been made up, being periods for which he has been in occupation and the last of which ends on or after the date of completion of the acquisition; or
 - (b) if there are no such periods as aforesaid, any three consecutive years for which he has been in occupation and the last of which ends on or after the date mentioned in paragraph (a) above.
- (4) In calculating the profits mentioned in subsection (1) above there shall be deducted a sum equal to the rent that might reasonably be expected to be payable in respect of the agricultural land comprised in the land acquired if it were let for agricultural purposes to a tenant responsible for rates, repairs and other outgoings; and that deduction shall be made whether or not the land is in fact let and, if it is, shall be made to the exclusion of any deduction for the rent actually payable.
- (5) In calculating the profits mentioned in subsection (1) above there shall be left out of account profits from any activity if a sum in respect of loss of profits from that activity would fall to be included in the compensation, so far as attributable to disturbance, for the acquisition of the interest in the land acquired.
- (6) Where the value of the agricultural land comprised in the land acquired exceeds the value of the agricultural land comprised in the new unit the amount of the farm loss payment shall be proportionately reduced.
- (7) For the purposes of subsection (6) above the value of any land shall be assessed—
 - (a) on the basis of its value as land used solely for agriculture and as for a freehold interest therein ^{F53} with vacant possession;
 - (b) by reference to the condition of the land and its surroundings and to prices current—

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- (i) in the case of the land comprised in the land acquired, on the date of displacement;
 - (ii) in the case of land comprised in the new unit, on the date on which the person concerned begins to farm the new unit;
 - (c) in accordance with rules (2) to (4) of the rules set out in section 5 of the ^{M5}Land Compensation Act 1961 ^{F53}
 - (d) without regard to the principal dwelling, if any, comprised in the same agricultural unit as that land.
- (8) The amount of a farm loss payment shall not be greater than the amount, if any, by which—
- (a) that payment, calculated apart from this subsection, together with compensation for the acquisition of the interest in the land acquired assessed on the assumptions mentioned in section 5(2), (3) and (4) above (including any sum included as compensation for disturbance), exceeds
 - (b) the compensation actually payable for the acquisition of that interest.
- (9) Any dispute as to the amount of a farm loss payment shall be referred to and determined by the Lands Tribunal ^{F53}

Textual Amendments

F53 Words repealed by [Land Compensation \(Scotland\) Act 1973 \(c. 56\), Sch. 2 Pt. I](#)

Marginal Citations

M5 1961 c. 33.

36 Supplementary provisions about farm loss payments.

- (1) Subject to subsection (7) below, no farm loss payment shall be made except on a claim in that behalf made by the person entitled thereto before the expiration of the period of one year beginning with the date on which the requirement in section 34(1)(b) above is complied with, and any such claim shall be in writing and shall be accompanied or supplemented by such particulars as the acquiring authority may reasonably require to enable them to determine whether that person is entitled to a payment and, if so, its amount.
- (2) Where the agricultural unit containing the land acquired is occupied for the purposes of a partnership firm sections 34 and 35 above shall have effect in relation to the firm and not the partners individually (any interest of a partner in the land acquired being treated as an interest of the firm) except that the requirements in section 34 as to the new unit shall be treated as complied with in relation to the firm as soon as they are complied with by any one of the persons who were members of the firm.
- (3) Where a person dies before the expiration of the period for making a claim to a farm loss payment and would have been entitled to such a payment if he had made a claim within that period, a claim to that payment may be made, before the expiration of that period, by his personal representative.
- (4) Where an interest in land is acquired by agreement by an authority possessing compulsory purchase powers, the authority may, in connection with the acquisition, make to the person from whom the interest is acquired a payment corresponding to any

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farm loss payment which they would be required to make to him if the acquisition were compulsory and the authority (if not authorised to acquire the interest compulsorily) had been so authorised on the date of the agreement.

- (5) Where a farm loss payment is made to any person the authority making the payment shall also pay any reasonable valuation or legal expenses incurred by that person for the purposes of the preparation and prosecution of his claim to the payment; but this subsection is without prejudice to the powers of the Lands Tribunal ^{F54} in respect of the costs ^{F54} of proceedings before the Tribunal by virtue of section 35(9) above.
- (6) A farm loss payment shall carry interest, at the rate for the time being prescribed under section 32 of the ^{M6}Land Compensation Act 1961 ^{F54}, from the date mentioned in subsection (1) above until payment.
- (7) Where the date mentioned in subsection (1) above is before the passing of this Act the period within which a claim to a farm loss payment can be made shall be the period of one year beginning with the date of the passing of this Act.

Textual Amendments

F54 Words repealed by [Land Compensation \(Scotland\) Act 1973 \(c. 56\), Sch. 2 Pt. I](#)

Marginal Citations

M6 [1961 c. 33.](#)

Disturbance payments

37 Disturbance payments for persons without compensatable interests.

- (1) Where a person is displaced from any land in consequence of—
 - (a) the acquisition of the land by an authority possessing compulsory purchase powers;
 - (b) the making . . . ^{F55} or acceptance of a housing order . . . ^{F55} or undertaking in respect of a house or building on the land . . . ^{F56};
 - (c) where the land has been previously acquired by an authority possessing compulsory purchase powers or appropriated by a local authority and is for the time being held by the authority for the purposes for which it was acquired or appropriated, the carrying out of [^{F57}any improvement to a house or building on the land or of] redevelopment on the land,
 - (d) [^{F58}the carrying out of any improvement to a house or building on the land or of re-development on the land by a housing association which has previously acquired the land and at the date of the displacement is [^{F59}a registered social landlord within the meaning of the Housing Act 1985 (see section 5(4) and (5) of that Act)];]

he shall, subject to the provisions of this section, be entitled to receive a payment (hereafter referred to as a “disturbance payment”) from

- ^{F60}(i) where paragraph (a) above applies, the acquiring authority;
- (ii) where paragraph (b) above applies, the authority who made the order, passed the resolution, accepted the undertaking or served the notice;
- (iii) where paragraph (c) above applies, the authority carrying out the improvement or redevelopment; and

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- (iv) where paragraph (d) above applies, the housing association carrying out the improvement or redevelopment.]
- (2) A person shall not be entitled to a disturbance payment—
- (a) in any case, unless he is in lawful possession of the land from which he is displaced;
 - (b) in a case within subsection (1)(a) above, unless either—
 - (i) he has no interest in the land for the acquisition or extinguishment of which he is (or if the acquisition or extinguishment were compulsory would be) entitled to compensation under any other enactment; or
 - (ii)^{F61}
 - (c) in a case within subsection (1)(b) above, if he is entitled to ^{F62}a payment under section 584A(1) of the Housing Act 1985 (compensation payable in case of closing and demolition orders)].
 - ^{F63}(d) in a case within subsection (1)(d) above, unless the ^{M7}displacement occurred on or after 31st July 1974 (on which date the Housing Act 1974 was passed).]
^{F64}
- (3) For the purposes of subsection (1) above a person shall not be treated as displaced in consequence of any such acquisition [^{F65}improvement or redevelopment as is mentioned in paragraph (a), (c) or (d)] of that subsection unless he was in lawful possession of the land—
- (a) in the case of land acquired under a compulsory purchase order, at the time when notice was first published of the making of the compulsory purchase order prior to its submission for confirmation or, where the order did not require confirmation, of the preparation of the order in draft;
 - (b) in the case of land acquired under an Act specifying the land as subject to compulsory acquisition, at the time when the provisions of the Bill for that Act specifying the land were first published;
 - (c) in the case of land acquired by agreement, at the time when the agreement was made;
- and a person shall not be treated as displaced in consequence of any such order. . .
^{F55}^{F65}undertaking or improvement notice] as is mentioned in paragraph (b) of that subsection unless he was in lawful possession as aforesaid at the time when the order was made. . . ^{F55}^{F65}the undertaking was accepted or the notice was served].
- ^{F66}(3A) For the purposes of subsection (1) above a person shall not be treated as displaced in consequence of the acceptance of an undertaking, of the service of such an improvement notice as is mentioned in paragraph (b) of that subsection or of the carrying out of any improvement to a house or building unless he is permanently displaced in consequence of the carrying out of the works specified in the undertaking or notice or, as the case may be, of the improvement in question.]
- (4) Where a person is displaced from land in circumstances such that, apart from this subsection, he would be entitled to a disturbance payment from any authority and also to compensation from that authority under section 37 of the ^{M8}Landlord and Tenant Act 1954 (compensation from landlord where order for new tenancy of business premises precluded on certain grounds) he shall be entitled, at his option, to one or the other but not to both.
- (5) Where a person is displaced from any land as mentioned in subsection (1) above but is not entitled, as against the authority there mentioned, to a disturbance payment or

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to compensation for disturbance under any other enactment, the authority may, if they think fit, make a payment to him determined in accordance with section 38(1) to (3) below.

- (6) A disturbance payment shall carry interest, at the rate for the time being prescribed under section 32 of the ^{M9}Land Compensation Act 1961. . . ^{F55}, from the date of displacement until payment.
- (7) This section does not apply to any land which is used for the purposes of agriculture.
- (8) ^{F67}
- (9) In this section “a housing order. . . ^{F55} or undertaking” [^{F68}“improvement”] and “redevelopment” have the same meaning as in section 29 above.
- (10) This section applies if the date of displacement is on or after 17th October 1972.

Textual Amendments

- F55** Words repealed by [Land Compensation \(Scotland\) Act 1973 \(c. 56\)](#), **Sch. 2 Pt. I**
- F56** Words repealed by [Local Government and Housing Act 1989 \(c. 42, SIF 61\)](#), s. 194(4), **Sch. 12 Pt. II**
- F57** Words inserted by [Housing Act 1974 \(c. 44\)](#), s. 130, **Sch. 13 para. 39(1)(b)**
- F58** S. 37(1)(d) substituted by [Housing \(Consequential Provisions\) Act 1985 \(c. 71, SIF 61\)](#), s. 4, **Sch. 2 para. 24(3)(b)**
- F59** Words in s. 37(1)(d) substituted (1.10.1996) by S.I. 1996/2325, art. 5(1), **Sch. 2 para. 3(3)**
- F60** Paras. (i) to (iv) substituted for words by [Housing Act 1974 \(c. 44\)](#), s.130, **Sch. 13 para. 39(1)(d)**
- F61** S. 37(2)(b)(ii) repealed by [Local Government and Housing Act 1989 \(c. 42, SIF 81:1\)](#), s. 194(4), **Sch. 12 Pt. II**
- F62** Words substituted by [Local Government and Housing Act 1989 \(c. 42, SIF 61\)](#), s. 194(1), **Sch. 11 para. 31**
- F63** S. 37(2)(d) added by [Housing Rents and Subsidies Act 1975 \(c. 6\)](#), s. 17(4), **Sch. 5 para. 10(b)** and continued by virtue of [Housing \(Consequential Provisions\) Act 1985 \(c. 71, SIF 61\)](#), s. 4, **Sch. 2 para. 24(3)(d)**
- F64** Words repealed by [Housing \(Consequential Provisions\) Act 1985 \(c. 71, SIF 61\)](#), s. 3, **Sch. 1 Pt. I**
- F65** Words substituted by [Housing Act 1974 \(c. 44\)](#), s. 130, **Sch. 13 para. 39(2)**
- F66** S. 37(3A) inserted by [Housing Act 1974 \(c. 44\)](#), s. 130, **Sch. 13 para. 39(3)**
- F67** Ss. 32(9), 34(7), 37(8), 41(11), 44(3), 46(8) repealed by [Land Compensation \(Scotland\) Act 1973 \(c. 56\)](#), **Sch. 2 Pt. I**
- F68** Word inserted by [Housing Act 1974 \(c. 44\)](#), s. 130, **Sch. 13 para. 39(4)**

Modifications etc. (not altering text)

- C2** S. 37(5) excluded by [Conwy Tunnel \(Supplementary Powers\) Act 1983 \(c. 7, SIF 59\)](#), s. 14(7)
S. 37(5) modified (5.11.1993) by 1993 c. 42, s. 2, **Sch. 2 para. 5(7)** (with s. 30(1), Sch. 2 para. 9).

Marginal Citations

- M7** 1974 c. 44.
- M8** 1954 c. 56.
- M9** 1961 c. 33.

38 Amount of disturbance payment.

- (1) The amount of a disturbance payment shall be equal to—

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- (a) the reasonable expenses of the person entitled to the payment in removing from the land from which he is displaced; and
 - (b) if he was carrying on a trade or business on that land, the loss he will sustain by reason of the disturbance of that trade or business consequent upon his having to quit the land.
- (2) In estimating the loss of any person for the purposes of subsection (1)(b) above, regard shall be had to the period for which the land occupied by him may reasonably have been expected to be available for the purposes of his trade or business and to the availability of other land suitable for that purpose.

This subsection has effect subject to section 46(7) below.

- (3) Where the displacement is from a dwelling in respect of which structural modifications have been made for meeting the special needs of a disabled person (whether or not the person entitled to the disturbance payment) then, if—
- (a) a local authority having functions under section 29 of the ^{M10}National Assistance Act 1948, ^{F69}, provided assistance, or
 - (b) such an authority would, if an application had been made, have provided assistance,
- for making those modifications, the amount of the disturbance payment shall include an amount equal to any reasonable expenses incurred by the person entitled to the payment in making, in respect of a dwelling to which the disabled person removes, comparable modifications which are reasonably required for meeting the disabled person's special needs.
- (4) Any dispute as to the amount of a disturbance payment shall be referred to and determined by the Lands Tribunal ^{F69}.

Textual Amendments

F69 Words repealed by [Land Compensation \(Scotland\) Act 1973 \(c. 56\), Sch. 2 Pt. I](#)

Marginal Citations

M10 [1948 c. 29.](#)

Rehousing

39 Duty to rehouse residential occupiers.

- (1) Where a person is displaced from residential accommodation on any land in consequence of—
- (a) the acquisition of the land by an authority possessing compulsory purchase powers;
 - (b) the making ^{F70} or acceptance of a housing order ^{F70} or undertaking in respect of a house or building on the land;
 - (c) where the land has been previously acquired by an authority possessing compulsory purchase powers or appropriated by a local authority and is for the time being held by the authority for the purposes for which it was acquired or appropriated, the carrying out of [^{F71}any improvement to a house or building on the land or of] redevelopment on the land,

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(d)^{F72}

(2) Subsection (1) above shall not by virtue of paragraph (a) thereof apply to a person if the acquisition is in pursuance of the service by him of a blight notice within the meaning of [^{F73}section 149 of the Town and Country Planning Act 1990]

(3) Subsection (1) above shall not apply to any person who is a trespasser on the land or who has been permitted to reside in any house or building on the land pending its demolition [^{F74}or improvement].

(4) Subsection (1) above shall not apply to any person to whom money has been advanced—

(a) under section 41 below;

(b) under the Small Dwellings Acquisition Acts 1899 to 1923 or section 43 of the ^{M11}Housing (Financial Provisions) Act 1958 [^{F75}or section 435 of the Housing Act 1985];

(c)

^{F76}(d) by a development corporation or the Commission for the New Towns otherwise than under section 41 below,

[^{F77}(f) by the Development Board for Rural Wales]

for the purpose of enabling him to obtain accommodation in substitution for that from which he is displaced as mentioned in that subsection.

(5)^{F78}

(6) For the purposes of subsection (1) above a person shall not be treated as displaced in consequence of any such acquisition [^{F79}improvement] or redevelopment as is mentioned in paragraph (a) or (c) of that subsection unless he was residing in the accommodation in question—

(a) in the case of land acquired under a compulsory purchase order, at the time when notice was first published of the making of the order prior to its submission for confirmation or, where the order did not require confirmation, of the preparation of the order in draft;

(b) in the case of land acquired under an Act specifying the land as subject to compulsory acquisition, at the time when the provisions of the Bill for the Act specifying the land were first published;

(c) in the case of land acquired by agreement, at the time when the agreement was made;

and a person shall not be treated as displaced in consequence of any such order ^{F70}or undertaking as is mentioned in paragraph (b) of that subsection [^{F80}or of such an improvement notice as is mentioned in paragraph (d) of that subsection] unless he was residing in the accommodation in question at the time when the order was made ^{F70}[^{F81}the undertaking was accepted or the notice was served].

[^{F82}(6A) For the purposes of subsection (1) above a person shall not be treated as displaced in consequence of the acceptance of an undertaking, of the carrying out of any improvement to a house or building or of the service of such an improvement notice as is mentioned in paragraph (d) of that subsection unless he is permanently displaced from the residential accommodation in question in consequence of the carrying out of the works specified in the undertaking, the carrying out of the improvement or, as the case may be, the carrying out of the work specified in the notice.]

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- (7) [^{F83}Subject to subsection (8) below, the 'relevant authority' for the purpose of this section is the local housing authority within the meaning of the Housing Act 1985.]
- (8) Where the land is in an area designated as the site of a new town—
- (a) paragraph (c) of subsection (1) above shall apply if the land on which the redevelopment is carried out has been previously acquired by the development corporation and is for the time being held either by that corporation or by the Commission for the New Towns;
 - (b) if the authority by whom the land is acquired or redeveloped is the development corporation, that corporation shall, in a case falling within paragraph (a) or (c) of that subsection, be the relevant authority for the purposes of this section;
 - (c) if the authority by whom the land is redeveloped is the Commission for the New Towns, the Commission shall, in a case falling within paragraph (c) of that subsection, be the relevant authority for the purposes of this section.
- [^{F84}(d) if the authority by whom the land is acquired or redeveloped is the Development Board for Rural Wales, that Board shall, in a case falling within paragraph (a) or (c) of that subsection, be the relevant authority for the purposes of this section.]
- (8A) ^{F85}
- (9) In this section “a housing order ^{F86} or undertaking” [^{F87}“improvement”] and “redevelopment” have the same meaning as in section 29 above.

Textual Amendments

- F70** Words repealed by Land Compensation (Scotland) Act 1973 (c. 56), **Sch. 2 Pt. I**
- F71** Words inserted by Housing Act 1974 (c. 44), s. 130, **Sch. 13 para. 40(1)**
- F72** S. 39(1)(d) (which was inserted by Housing Act 1974 (c. 44), s. 130, Sch. 13 para. 40(1)) repealed by Local Government and Housing Act 1989 (c. 42, SIF 81:1), s. 194(4), **Sch. 12 Pt. II**
- F73** Words substituted by Planning (Consequential Provisions) Act 1990 (c. 11, SIF 123:1, 2), s. 4, **Sch. 2 para. 29(6)**
- F74** Words added by Housing Act 1974 (c. 44), s. 130, **Sch. 13 para. 40(2)**
- F75** Words inserted by Housing (Consequential Provisions) Act 1985 (c. 71, SIF 61), s. 4, **Sch. 2 para. 24(4)(b)**
- F76** S. 39(4)(c) repealed by Land Compensation (Scotland) Act 1973 (c. 56), **Sch. 2 Pt. I**
- F77** S. 39(4)(f) inserted by Development of Rural Wales Act 1976 (c. 75), **Sch. 7 para. 10(2)**
- F78** S. 39(5) repealed by Housing (Consequential Provisions) Act 1985 (c. 71, SIF 61), s. 3, **Sch. 1 Pt. I**
- F79** Word inserted by Housing Act 1974 (c. 44) s. 130, Sch. 13 para. 40(3)
- F80** Words inserted by Housing Act 1974 (c. 44), s. 130, **Sch. 13 para. 40(3)**
- F81** Words substituted by Housing Act 1974 (c. 44), s. 130, **Sch. 13 para. 40(3)**
- F82** S. 39(6A) inserted by Housing Act 1974 (c. 44), s. 130, **Sch. 13 para. 40(4)**
- F83** S. 39(7) substituted by Housing (Consequential Provisions) Act 1985 (c. 71, SIF 61), s. 4, **Sch. 2 para. 29(4)(c)**
- F84** S. 39(8)(d) added by Development of Rural Wales Act 1976 (c. 75). Sch. 7 para. 10(3)
- F85** S. 39(8A) repealed by Housing (Consequential Provisions) Act 1985 (c. 71, SIF 61), s. 3, **Sch. 1 Pt. I**
- F86** Words repealed by Land Compensation (Scotland) Act 1973 (c. 56), **Sch. 2 Pt. I**
- F87** Word inserted by Housing Act 1974 (c. 44), s. 130, **Sch. 13 para. 40(7)**

Modifications etc. (not altering text)

- C3** S. 39: power to apply certain functions conferred by Housing Act 1988 (c. 50, SIF 61), s. 65(2)(c)(4)

Status: Point in time view as at 01/10/1997.

Changes to legislation: Land Compensation Act 1973, Part III is up to date with all changes known to be in force on or before 04 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Marginal Citations

M11 1958 c. 42.

40 Duty to rehouse certain caravan dwellers.

- (1) Section 39 above shall, so far as applicable, have effect in relation to a person residing in a caravan on a caravan site who is displaced from that site as it has effect in relation to a person displaced from residential accommodation on any land but shall so have effect subject to the following modifications.
- (2) Subsection (1) of the said section 39 shall have effect—
 - (a) as if for the words preceding paragraph (a) there were substituted the words “Where a person residing in a caravan on a caravan site is displaced from that site in consequence of”; and
 - (b) as if for the words following paragraph (c) there were substituted the words “and neither suitable residential accommodation nor a suitable alternative site for stationing a caravan is available to that person on reasonable terms, then, subject to the provisions of this section, it shall be the duty of the relevant authority to secure that he will be provided with suitable residential accommodation”.
- (3) Subsection (6) of the said section 39 shall have effect as if in the words preceding paragraph (a) for the words “unless he was residing in the accommodation in question” there were substituted the words “unless he was residing in a caravan on the caravan site in question”.
- (4) The said section 39 shall have effect as if in any provision not modified as aforesaid for any reference to land there were substituted a reference to a caravan site.
- (5) In this section “caravan site” has the same meaning as in section 33 above.

Modifications etc. (not altering text)

C4 S. 40: power to apply certain functions conferred by [Housing Act 1988 \(c. 50, SIF 61\)](#), s. 65(2)(c)(4)

41 Power of relevant authority to make advances repayable on maturity to displaced residential owner-occupiers.

- (1) Where a person displaced from a dwelling in consequence of any of the matters mentioned in subsection (1)(a), (b) or (c) of section 39 above—
 - (a) is an owner-occupier of the dwelling; and
 - (b) wishes to acquire or construct another dwelling in substitution for that from which he is displaced,the relevant authority for the purposes of that section may advance money to him for the purpose of enabling him to acquire or construct the other dwelling.
- (2) The power conferred by this section shall be exercisable subject to such conditions as may be approved by the Secretary of State and the following provisions shall apply with respect to any advance made in the exercise of that power.
- (3) The advance shall be made—

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- (a) on terms providing for the payment of the principal—
 - (i) at the end of a fixed period, with or without a provision allowing the authority to extend that period; or
 - (ii) upon notice given by the authority, subject, in either case, to a provision for earlier repayment on the happening of a specified event;
 - (b) on such other terms as the authority may think fit having regard to all the circumstances.
- (4) An advance for the construction of a dwelling may be made by instalments from time to time as the works of construction progress.
- (5) The principal of the advance, together with interest thereon, shall be secured by a mortgage of the borrower’s interest in the dwelling, and the amount of the principal shall not exceed the value which, in accordance with a valuation duly made on behalf of the relevant authority, it is estimated that the borrower’s interest will bear or, as the case may be, will bear when the dwelling has been constructed.
- (6) Before advancing money under this section the relevant authority shall satisfy themselves that the dwelling to be acquired is or will be made, or that the dwelling to be constructed will on completion be, in all respects fit for human habitation.
- (7) While the payment of the principal of an advance made by a local authority under this section is not required in accordance with the terms of the advance, the local authority may suspend, with respect to so much of any sum borrowed by them as is referable to the advance or with respect to any sum paid in respect of the advance out of their Consolidated Loans Fund, any periodical provision for repayment that may be required by any enactment or by any scheme (whether made under section 55 of the ^{M12}Local Government Act 1958 or under any local enactment) by which the Fund was established.
- (8) The power conferred by this section on a relevant authority is without prejudice to any power to advance money exercisable by the authority under any other enactment.
- (9) In this section “owner-occupier”, in relation to any dwelling, means a person who occupies it on the date of displacement and either—
- (a) occupies it on that date in right of a freehold interest therein or a tenancy thereof granted or extended for a term of years certain of which not less than three years remain unexpired; or
 - (b) if the displacement is in consequence of the matters mentioned in paragraph (c) of section 39(1) above, occupied it in right of such an interest or tenancy on the date on which the land was acquired or appropriated as mentioned in that paragraph.
- (10) In this section references to the construction of a dwelling include references to the acquisition of a building and its conversion into a dwelling and to the conversion into a dwelling of a building previously acquired.
- (11) F88

Textual Amendments
F88 Ss. 32(9), 34(7), 37(8), 41(11), 44(3), 46(8) repealed by [Land Compensation \(Scotland\) Act 1973](#) (c. 56), [Sch. 2 Pt. I](#)

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Modifications etc. (not altering text)

C5 S. 41: power to apply certain functions conferred by [Housing Act 1988 \(c. 50, SIF 61\)](#), s. 65(2)(c)(4)

Marginal Citations

M12 1958 c. 55.

42 Duty of displacing authority to indemnify rehousing or lending authority for net losses.

(1) Where a relevant authority within the meaning of section 39 above provide or secure the provision of accommodation for any person in pursuance of subsection (1)(a) or (c) of that section, then, if—

- (a) the authority providing the accommodation (“the rehousing authority”) are not the same as the authority by whom the land in question is acquired or redeveloped (“the displacing authority”); and
- (b) the displacing authority are not an authority having functions under [^{F89}Part II of the Housing Act 1985][^{F90}or (if they are such an authority) the land is acquired or redeveloped by them otherwise than in the discharge of those functions]

the displacing authority shall make to the rehousing authority periodical payments, or if the rehousing authority so require a lump sum payment, by way of indemnity against any net loss in respect of the rehousing authority’s provision of that accommodation which may be incurred by that authority in any year during the period of ten years commencing with the year in which the accommodation is first provided.

(2) For the purposes of subsection (1) above a local authority incur a net loss in respect of their provision of accommodation for a person whom they are rehousing—

- (a) if they rehouse him in a dwelling provided by them under [^{F91}Part II of the said Act 1985], ^{F92}, for the purpose of rehousing him; or
- (b) if—
 - (i) they rehouse him in a Housing Revenue Account dwelling not so provided ^{F92}, and
 - (ii) provide under [^{F93}the said Part II] in the year immediately preceding that in which he first occupies it, or in the period of three years commencing with the year in which he first occupies it, a dwelling ^{F92} of a similar type or size.

(3) Where money has been advanced to a person as mentioned in section 39(4) above, then if—

- (a) the authority making the advance (“the lending authority”) are not the same as the displacing authority; and
- (b) the lending authority incur a net loss in respect of the making of the advance, the displacing authority shall make to the lending authority a lump sum payment by way of indemnity against that loss.

(4) For the purposes of subsection (3) above, a lending authority incur a net loss in respect of the making of an advance to any person if—

- (a) he does not fully discharge his liability to the authority in respect of principal, interest and costs or expenses in accordance with the terms on which the advance is made; and

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- (b) the deficiency exceeds the net proceeds arising to the authority on a sale of the interest on which the principal and interest is secured.
- (5) The Secretary of State may—
- (a) for the purposes of subsection (1) above from time to time determine a method to be used generally in calculating net losses incurred by rehousing authorities;
 - (b) for the purposes of that subsection or subsection (3) above, determine the net loss incurred by a rehousing authority or lending authority in any particular case;
 - (c) give directions as to the manner in which any payment under this section is to be made.
- (6) ^{F94}In subsection (2)—
- ‘Housing Revenue Account dwelling’ means a dwelling which is within the authority’s Housing Revenue Account (within the meaning of ^{F95}Part VI of the Local Government and Housing Act 1989)]

Textual Amendments

- F89** Words substituted by [Housing \(Consequential Provisions\) Act 1985 \(c. 71, SIF 61\)](#), s. 4, **Sch. 2 para. 24(5)(a)**
- F90** Words inserted by [Housing Act 1980 \(c. 51\)](#), s. 138
- F91** Words substituted by [Housing \(Consequential Provisions\) Act 1985 \(c. 71, SIF 61\)](#), s. 4, **Sch. 2 para. 24(5)(b)**
- F92** Words repealed by [Land Compensation \(Scotland\) Act 1973 \(c. 56\)](#), **Sch. 2 Pt. I**
- F93** Words substituted by [Housing \(Consequential Provisions\) Act 1985 \(c. 71, SIF 61\)](#), s. 4, **Sch. 2 para. 24(5)(c)**
- F94** [S. 42\(6\)](#) substituted by [Housing \(Consequential Provisions\) Act 1985 \(c. 71, SIF 61\)](#), s. 4, **Sch. 2 para. 24(5)(d)**
- F95** Words substituted by [Local Government and Housing Act 1989 \(c. 42, SIF 61\)](#), s. 194(1), **Sch. 11 para. 32(1)(2)**

43 Power of relevant authority to defray expenses in connection with acquisition of new dwellings.

- (1) Where a person displaced from a dwelling in consequence of ^{F96}any of the events specified in paragraphs (a) to (d) of section 39(1)above]—
- (a) has no interest in the dwelling or no greater interest therein than as tenant for a year or from year to year; and
 - (b) wishes to acquire another dwelling in substitution for that from which he is displaced,
- ^{F96}then, according to the nature of the event in consequence of which he was displaced, the acquiring authority, the authority who made the order, passed the resolution, accepted the undertaking or served the notice or the authority carrying out the improvement or redevelopment] may pay any reasonable expenses incurred by him in connection with the acquisition, other than the purchase price.
- (2) No payment shall be made under this section in respect of expenses incurred by any person in connection with the acquisition of a dwelling unless the dwelling is acquired not later than one year after the displacement and is reasonably comparable with that from which he is displaced.

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- (3) For the purposes of subsection (2) above a dwelling acquired pursuant to a contract shall be treated as acquired when the contract is made.
- (4) Subsections (3) [^{F97}(6) and (6A)] of section 39 above shall have effect in relation to subsection (1) above and to [^{F97}any provision of subsection (1)] of that section as applied thereby.

Textual Amendments

F96 Words substituted by [Housing Act 1974 \(c. 44\)](#), s. 130, [Sch. 13 para. 41\(1\)](#)

F97 Words substituted by [Housing Act 1974 \(c. 44\)](#), s. 130, [Sch. 13 para. 41\(2\)](#)

Status:

Point in time view as at 01/10/1997.

Changes to legislation:

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