Status: Point in time view as at 31/10/2004. Changes to legislation: Land Compensation Act 1973, Cross Heading: Other loss payments is up to date with all changes known to be in force on or before 21 June 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)



# Land Compensation Act 1973

# **1973 CHAPTER 26**

# PART III

PROVISIONS FOR BENEFIT OF PERSONS DISPLACED FROM LAND

[<sup>F1</sup>Other loss payments

#### Textual Amendments

F1 S. 33A and cross-heading inserted (31.10.2004) by Planning and Compulsory Purchase Act 2004 (c. 5), s. 106 (with s. 106(2)(3)); S.I. 2004/2593, art. 2(a)

# **33A Basic loss payment**

(1) This section applies to a person—

- (a) if he has a qualifying interest in land,
- (b) if the interest is acquired compulsorily, and
- (c) to the extent that he is not entitled to a home loss payment in respect of any part of the interest.
- (2) A person to whom this section applies is entitled to payment of whichever is the lower of the following amounts—
  - (a) 7.5% of the value of his interest;
  - (b) £75,000.
- (3) A payment under this section must be made by the acquiring authority.
- (4) An interest in land is a qualifying interest if it is a freehold interest or an interest as tenant and (in either case) it subsists for a period of not less than one year ending with whichever is the earliest of—
  - (a) the date on which the acquiring authority takes possession of the land under section 11 of the Compulsory Purchase Act 1965 (entry to take possession of land);

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- (b) the date on which the acquiring authority enters the land if it proceeds under Schedule 3 to that Act;
- (c) the vesting date (within the meaning of the Compulsory Purchase (Vesting Declarations) Act 1981) if a declaration is made under section 4 of that Act (general vesting declaration);
- (d) the date on which compensation is agreed between the person and the acquiring authority;
- (e) the date on which the amount of compensation is determined by the Lands Tribunal.
- (5) The compulsory acquisition of an interest in land includes acquisition of the interest in consequence of the service of—
  - (a) a purchase notice under section 137 of the Town and Country Planning Act 1990 (right to require purchase of certain interests);
  - (b) a notice under section 150 of that Act (purchase of blighted land).
- (6) The value of an interest is its value for the purpose of deciding the amount of compensation payable in respect of the acquisition; but this is subject to subsections (7) and (8).
- (7) If an interest consists partly of a dwelling in respect of which the person is entitled to a home loss payment the value of the interest is the value of the whole interest less the value of so much of the interest as is represented by the dwelling.
- (8) If rule (5) of section 5 of the Land Compensation Act 1961 (equivalent reinstatement) applies for the purpose of assessing the amount of compensation the value of the interest is nil.]

# [<sup>F2</sup>33B Occupier's loss payment: agricultural land

- (1) This section applies to a person if—
  - (a) he has a qualifying interest in land for the purposes of section 33A,
  - (b) the land is agricultural land,
  - (c) the interest is acquired compulsorily, and
  - (d) he occupied the land for the period specified in section 33A(4).
- (2) A person to whom this section applies is entitled to a payment of whichever is the greatest of the following amounts—
  - (a) 2.5% of the value of his interest;
  - (b) the land amount;
  - (c) the buildings amount.
- (3) But the maximum amount which may be paid to a person under this section in respect of an interest in land is  $\pounds 25,000$ .
- (4) A payment under this section must be made by the acquiring authority.
- (5) The value of an interest is its value for the purpose of deciding the amount of compensation payable in respect of the acquisition; but this is subject to subsections (6) and (7).

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- (6) If an interest consists partly of a dwelling in respect of which the person is entitled to a home loss payment the value of the interest is the value of the whole interest less the value of so much of the interest as is represented by the dwelling.
- (7) If rule (5) of section 5 of the Land Compensation Act 1961 (equivalent reinstatement) applies for the purpose of assessing the amount of compensation the value of the interest is nil.
- (8) The land amount is the greater of £300 and the amount found in accordance with the following Table—

Area of the land	Amount per hectare
Not exceeding 100 hectares	£100 per hectare or part of a hectare
Exceeding 100 hectares	<ul> <li>(a) £100 per hectare for the first 100 hectares;</li> <li>(b) £50 per hectare for the next 300 hectares or part of a hectare.</li> </ul>

- (9) The buildings amount is £25 per square metre (or part of a square metre) of the gross floor space of any buildings on the land.
- (10) The gross floor space must be measured externally.

#### **Textual Amendments**

F2 Ss. 33B, 33C inserted (31.10.2004) by Planning and Compulsory Purchase Act 2004 (c. 5), s. 107 (with s. 107(2)(3)); S.I. 2004/2593, art. 2(a)

## **33C** Occupier's loss payment: other land

- (1) This section applies to a person if—
  - (a) he has a qualifying interest in land for the purposes of section 33A,
  - (b) the land is not agricultural land,
  - (c) the interest is acquired compulsorily, and
  - (d) he occupied the land for the period specified in section 33A(4).
- (2) A person to whom this section applies is entitled to a payment of whichever is the greatest of the following amounts—
  - (a) 2.5% of the value of his interest;
  - (b) the land amount;
  - (c) the buildings amount.
- (3) But the maximum amount which may be paid to a person under this section in respect of an interest in land is  $\pounds 25,000$ .
- (4) A payment under this section must be made by the acquiring authority.
- (5) The value of an interest is its value for the purpose of deciding the amount of compensation payable in respect of the acquisition; but this is subject to subsections (6) and (7).

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- (6) If an interest consists partly of a dwelling in respect of which the person is entitled to a home loss payment the value of the interest is the value of the whole interest less the value of so much of the interest as is represented by the dwelling.
- (7) If rule (5) of section 5 of the Land Compensation Act 1961 (equivalent reinstatement) applies for the purpose of assessing the amount of compensation the value of the interest is nil.
- (8) The land amount is the greater of—
  - (a) £2,500;
  - (b) £2.50 per square metre (or part of a square metre) of the area of the land.
- (9) But if only part of land in which a person has an interest is acquired, for the figure specified in subsection (8)(a) there is substituted £300.
- (10) The buildings amount is £25 per square metre (or part of a square metre) of the gross floor space of any buildings on the land.
- (11) The gross floor space must be measured externally.]

#### **Textual Amendments**

F2 Ss. 33B, 33C inserted (31.10.2004) by Planning and Compulsory Purchase Act 2004 (c. 5), s. 107 (with s. 107(2)(3)); S.I. 2004/2593, art. 2(a)

# [<sup>F3</sup>33D Loss payments: exclusions

(1) This section applies to a person if—

- (a) he is a person to whom section 33A, 33B or 33C applies,
- (b) a notice falling within subsection (4) has been served on him in relation to the land mentioned in that section,
- (c) at the relevant time the notice has effect or is operative, and
- (d) he has failed to comply with any requirement of the notice.
- (2) This section also applies to a person if-
  - (a) he is a person to whom section 33A, 33B or 33C applies,
  - (b) a copy of an order falling within subsection (5) has been served on him in relation to the land mentioned in that section, and
  - (c) the order has not been quashed on appeal.
- (3) No payment may be made under section 33A, 33B or 33C to a person to whom this section applies.
- (4) These are the notices—
  - (a) notice under section 215 of the Town and Country Planning Act 1990 (power to require proper maintenance of land);
  - (b) notice under section 189 of the Housing Act 1985 (requirement to repair dwelling etc. unfit for human habitation);
  - (c) notice under section 190 of that Act (requirement to repair dwelling etc. in state of disrepair);

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- (d) notice under section 48 of the Planning (Listed Buildings and Conservation Areas) Act 1990 (repairs notice prior to compulsory notice of acquisition of listed building).
- (5) These are the orders—
  - (a) an order under section 264 of the Housing Act 1985 (closure of dwelling etc. unfit for human habitation);
  - (b) an order under section 265 of that Act (demolition of dwelling etc. unfit for human habitation).
- (6) The relevant time is the time at which the compulsory purchase order in relation to the person's interest in the land—
  - (a) is confirmed, in the case of an order falling within section 2(2) of the Acquisition of Land Act 1981 (procedure for authorisation);
  - (b) is made, in the case of an order falling within section 2(3) of that Act.
- (7) The Secretary of State may by regulations amend subsections (4) and (5).]

#### **Textual Amendments**

**F3** S. 33D inserted (31.10.2004) by Planning and Compulsory Purchase Act 2004 (c. 5), **s. 108** (with s. 108(2)); S.I. 2004/2593, art. 2(a)

# [<sup>F4</sup>33E Claims

- (1) This section applies for the purposes of sections 33A to 33C.
- (2) A claim for payment must be made in writing to the acquiring authority.
- (3) The claim must give such particulars as the authority may reasonably require for the purpose of deciding—
  - (a) whether a payment is to be made;
  - (b) the amount of any such payment.
- (4) For the purposes of the Limitation Act 1980 a person's right of action to recover a payment must be taken to have accrued—
  - (a) in the case of a claim under section 33A on the last day of the period specified in subsection (4) of that section;
  - (b) in the case of a claim under section 33B or 33C on the date of his displacement from the land.

#### **Textual Amendments**

F4 Ss. 33E-33K inserted (31.10.2004) by Planning and Compulsory Purchase Act 2004 (c. 5), s. 109; S.I. 2004/2593, art. 2(a)

# 33F Insolvency

(1) This section applies if a person is entitled to a payment under section 33A, 33B or 33C but before a claim is made under section 33E insolvency proceedings are started in relation to the person.

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- (2) Any of the following may make a claim instead of the person mentioned in subsection (1)—
  - (a) a receiver, trustee in bankruptcy or the official receiver in the case of an individual;
  - (b) an administrator, administrative receiver, liquidator or provisional liquidator or the official receiver in the case of a company or a partnership.

(3) Insolvency proceedings are—

- (a) proceedings in bankruptcy;
- (b) proceedings under the Insolvency Act 1986 for the winding up of a company or an unregistered company (including voluntary winding up of a company under Part 4 of that Act);
- (c) proceedings for the winding up of a partnership.

#### **Textual Amendments**

F4 Ss. 33E-33K inserted (31.10.2004) by Planning and Compulsory Purchase Act 2004 (c. 5), s. 109; S.I. 2004/2593, art. 2(a)

#### 33G Death

- (1) This section applies if a person is entitled to a payment under section 33A, 33B or 33C but before a claim is made under section 33E the person dies (the deceased).
- (2) A claim may be made by a person who-
  - (a) occupied the land for a period of not less than one year ending with the date on which the deceased is displaced from the land, and
  - (b) is entitled to benefit on the death of the deceased by virtue of a ground mentioned in subsection (3).

# (3) The grounds are—

- (a) a testamentary disposition;
- (b) the law of intestate succession;
- (c) the right of survivorship between joint tenants.

#### **Textual Amendments**

F4 Ss. 33E-33K inserted (31.10.2004) by Planning and Compulsory Purchase Act 2004 (c. 5), s. 109; S.I. 2004/2593, art. 2(a)

#### 33H Agricultural land: dual entitlement

- (1) This section applies if a person is entitled in respect of the same interest in agricultural land to a payment both—
  - (a) under section 33B of this Act, and
  - (b) by virtue of section 12(1) of the Agriculture (Miscellaneous Provisions) Act 1968 (additional payments in consequence of compulsory acquisition of agricultural holding).

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- (2) Payment may be made in respect of only one entitlement.
- (3) If the person makes a claim under both provisions he must be paid in respect of the entitlement which produces the greater amount.

#### **Textual Amendments**

F4 Ss. 33E-33K inserted (31.10.2004) by Planning and Compulsory Purchase Act 2004 (c. 5), s. 109; S.I. 2004/2593, art. 2(a)

#### **Modifications etc. (not altering text)**

C1 S. 33H applied by 1968 c. 34, s. 12(4) (as inserted (31.10.2004) by Planning and Compulsory Purchase Act 2004 (c. 5), Sch. 7 para. 4 (with s. 111); S.I. 2004/2593, art. 2(d))

### 33I Payment

- (1) Any dispute as to the amount of a payment to be made under section 33A, 33B or 33C must be determined by the Lands Tribunal.
- (2) The acquiring authority must make any payment required by section 33A not later than whichever is the latest of the following dates—
  - (a) the last day of the period specified in section 33A(4);
  - (b) the last day of the period of three months beginning with the day the claim is made;
  - (c) the day on which the amount of the payment is determined.
- (3) The authority must make any payment required by section 33B or 33C not later than whichever is the latest of the following dates—
  - (a) the date the person is displaced from the land;
  - (b) the last day of the period of three months beginning with the day the claim is made;
  - (c) the day on which the amount of the payment is determined.
- (4) If paragraph (c) of subsection (2) or (3) applies the authority may at any time make a payment in advance to the person entitled to a payment (the claimant).
- (5) If when the value of the interest is agreed or determined the amount of a payment made under subsection (4) differs from the payment required by section 33A, 33B or 33C—
  - (a) the amount by which the advance payment exceeds the payment required must be repaid by the claimant to the authority;
  - (b) the amount by which the payment required exceeds the advance payment must be paid by the authority to the claimant.
- (6) The acquiring authority must pay interest on the amount required to be paid at the rate prescribed by regulations under section 32 of the Land Compensation Act 1961.
- (7) Interest accrues from the date specified in paragraph (a) of subsection (2) or (3) (as the case may be).
- (8) The authority may, at the request of the person entitled to the payment, make a payment on account of the interest mentioned in subsection (6).

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#### **Textual Amendments**

F4 Ss. 33E-33K inserted (31.10.2004) by Planning and Compulsory Purchase Act 2004 (c. 5), s. 109; S.I. 2004/2593, art. 2(a)

### **33J** Acquisition by agreement

(1) This section applies if—

- (a) an interest in land which is a qualifying interest for the purpose of section 33A is acquired by agreement by an authority which has power to acquire the interest compulsorily, and
- (b) the interest is acquired from a person who would be entitled to a payment under section 33A, 33B or 33C if the interest is acquired compulsorily.
- (2) The authority may make a payment to the person of an amount equal to the amount they would be required to pay if the interest is acquired compulsorily.

#### **Textual Amendments**

F4 Ss. 33E-33K inserted (31.10.2004) by Planning and Compulsory Purchase Act 2004 (c. 5), s. 109; S.I. 2004/2593, art. 2(a)

#### 33K Regulations

- (1) This section applies for the purposes of sections 33A to 33I.
- (2) The Secretary of State may by regulations substitute for any amount or percentage figure specified in these sections such other amount or percentage figure (as the case may be) as he thinks fit.
- (3) Except as provided in the following provisions of this section, a power to make regulations must be exercised by statutory instrument subject to annulment in pursuance of a resolution of either House of Parliament.
- (4) This subsection applies to regulations under subsection (2) which substitute—
  - (a) a percentage figure, or
  - (b) an amount, in a case where the change in value condition is not satisfied.
- (5) A statutory instrument containing regulations to which subsection (4) applies must not be made unless a draft of the regulations has been laid before and approved by resolution of each House of Parliament.
- (6) The change in value condition is satisfied if the Secretary of State thinks that in the case of the substitution of an amount it is expedient to make the substitution in consequence of changes in the value of money or land.
- (7) Regulations under subsection (2) may make different provision for different purposes.]

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### **Textual Amendments**

**F4** Ss. 33E-33K inserted (31.10.2004) by Planning and Compulsory Purchase Act 2004 (c. 5), **s. 109**; S.I. 2004/2593, art. 2(a)

# Status:

Point in time view as at 31/10/2004.

#### **Changes to legislation:**

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