



Town and Country Planning Act 1954

1954 CHAPTER 72

PART I

SPECIAL PAYMENTS FOR DEPRECIATION OF LAND VALUES

1 Payments by reference to established claims

- (1) The provisions of this Part of this Act shall have effect for requiring payments to be made by the Central Land Board, by reference to claims established under Part VI of the Town and Country Planning Act, 1947 (in this Act referred to as " the principal Act"), in cases where the land, or part of the land, in respect of which such a claim was established, or the interest in land to which such a claim related, or the benefit, or part of the benefit, of such a claim, has before the commencement of this Act been the subject of an act or event such as is specified in any of those provisions.
- (2) The claims referred to in the preceding subsection are claims for payments under the scheme which, but for the provisions of section two of the Town and Country Planning Act, 1953 (in this Act referred to as " the Act of 1953 "), would have fallen to be made under section fifty-eight of the principal Act (which provided for payments in respect of depreciation of land values in accordance with a scheme to be made under that section).
- (3) A claim for such a payment in respect of an interest in land shall for the purposes of this Act be taken to have been established in respect of that land under Part VI of the principal Act if an amount was determined under the said Part VI, or is so determined after the commencement of this Act, as being the development value of the interest to which the claim related, and payment in respect of that interest would not have been excluded—
 - (a) by section sixty-three of the principal Act (which excluded claims where the development value was small in proportion to the area, or to the restricted value, of the land); or
 - (b) by any of sections eighty-two to eighty-five of the principal Act (which relate to certain land belonging to local authorities, development corporations and statutory undertakers, and to land held on charitable trusts); or

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- (c) by section eighty-four of the principal Act as applied by regulations under section ninety of that Act (which relates to the National Coal Board).
- (4) In this Act the expression " established claim " means a claim which by virtue of the last preceding subsection is to be taken to have been established as mentioned in that subsection, and references to the establishment of a claim shall be construed accordingly ; and the expression " the claim area ", in relation to an established claim, means the land in respect of which the claim is to be taken to have been established.
- (5) References in this Act to the benefit of an established claim—
- (a) in relation to any time before the passing of the Act of 1953, whether before or after the making of the claim, or before or after the establishment thereof, shall be construed as references to the prospective right, under and subject to the provisions of the scheme referred to in subsection (2) of this section, to receive a payment in respect of the interest in land to which the claim related ; and
 - (b) in relation to any time after the passing of the Act of 1953 (whether before or after the commencement of this Act), shall be construed as references to such prospective right to the satisfaction of the claim as subsisted immediately before the commencement of this Act by virtue of section two of that Act;
- and references to part of the benefit of an established claim shall be construed accordingly.
- (6) References in this Act to the amount of an established claim are references to the amount determined, whether before or after the commencement of this Act, under Part VI of the principal Act as being the development value of the interest in land to which the claim related:

Provided that the provisions of the First Schedule to this Act shall have effect for the purpose of determining that amount, and where that amount was determined at a time before the commencement of this Act as an amount less or greater than it would have been if those provisions had at that time had effect in relation thereto, that determination shall be deemed not to have been made.

2 Claim holdings, their areas and values, and apportionment of values between parts of areas

- (1) Subject to the provisions of this Act, references therein to a claim holding are references to the benefit of an established claim, references to the area of a claim holding are references to the land which, in relation to the established claim constituting that holding, is the claim area, and references to the value of a claim holding are references to the amount of the established claim constituting that holding.
- (2) The provisions—
- (a) of the Second Schedule to this Act, relating to cases where a claim holding was pledged to the Central Land Board; and
 - (b) of the Third Schedule to this Act, relating to cases where a claim holding related to an interest in land and a payment has become, or (becomes, payable under section fifty-nine of the principal Act (which provides for payments in respect of certain war-damaged land) in respect of the like interest in the whole or part of that land with or without any other land,

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shall have effect for extinguishing the claim holding, or reducing the value thereof, or for treating the claim holding as divided into two or more claim holdings and extinguishing any of those holdings or reducing the value thereof.

- (3) Where by virtue of any disposition of part of the benefit of an established claim, not being a mortgage made otherwise than by way of assignment, different persons became entitled to different parts of that benefit, then, as from the date of that disposition (in this subsection referred to as "the relevant disposition"), each of those different parts shall be treated as having constituted a separate claim holding, and the area and value of each of those separate holdings at any material time after the relevant disposition shall be taken to have been such as may, on the occasion of an apportionment affecting that holding falling to be made for any of the purposes of this Act, be determined by the authority making the apportionment, or, where that authority's findings are referred to the Lands Tribunal under any provision of this Act, by that Tribunal, to be just and appropriate in all the circumstances; and in making their determination the authority or Tribunal shall in particular have regard to the following principles, that is to say—
- (a) that the aggregate of the values of all claim holdings representing parts, of the benefit of the same established claim shall not exceed the amount of that established claim;
 - (b) that, subject to the preceding paragraph, where a claim holding representing part only of the benefit of an established claim has been pledged to the Central Land Board within the meaning of the Second Schedule to this Act, otherwise than as is mentioned in paragraph 2 of that Schedule, and by virtue of that Schedule any deduction falls to be made from the value of that claim holding by reference to an amount due by way of development charge, the value of that holding at the time of the pledge shall not be taken to have been less than the amount credited for the purposes of the pledge by reference to the holding;
 - (c) that, in the case of the claim holding representing the part of the benefit of an established claim which was the subject of the relevant disposition, not being a claim holding to which paragraph (d) of this subsection applies—
 - (i) the area of the claim holding should be taken to be the claim area of that established claim less the area of any claim holding to which the said paragraph (d) applies which represents part of the benefit of the same established claim ; and
 - (ii) the value of the claim holding immediately after the relevant disposition should, subject to paragraphs (a) and (b) of this subsection, be taken to have been that part of the amount of the established claim to which the holder purported to become entitled under the terms of that disposition;
 - (d) that where any person who has been entitled to a claim holding representing part only of the benefit of an established claim—
 - (i) at any time while so entitled has also been entitled to the interest in land to which the established claim related in so far as that interest subsisted in part only of the claim area; and
 - (ii) became entitled to both that holding and that interest in such circumstances that the authority aforesaid or, as the case may be, the Lands Tribunal are satisfied that the holding and the interest were intended to relate to one another ;the area of that claim holding should be taken to be that part of the claim area, and the value of that holding immediately after the relevant disposition should,

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however that or any other disposition affecting the holding was expressed but subject to paragraphs (a) to (c) of this subsection, be taken to have been an amount equal to so much of the amount of the established claim as might reasonably be expected to have been attributed to that part of the claim area if the authority determining the amount of that established claim had been required to apportion it, in accordance with the same principles as applied to its determination, between that part and the residue of the claim area.

- (4) References in this Act to the fraction of the value of a claim holding which attaches to a part of the area of the holding are references to so much of the amount of the established claim of which that holding represents the benefit or part of the benefit (in this subsection referred to as " the relevant established claim ") as was properly attributable to that part of the area of the holding:

Provided that where by virtue of any provision of this Act the value of the claim holding at the time in question is to be treated as less or greater—

- (a) in a case where the area of the holding and the claim area of the relevant established claim are the same, than the amount of that established claim; or
- (b) in a case where the area of the holding consists of part only of the said claim area, than so much of the amount of the relevant established claim as was properly attributable to the area of the holding,

the amount of the fraction aforesaid shall be treated as reduced or, as the case may be, increased proportionately.

For the purposes of this subsection, the part of the amount of the relevant established claim which was properly attributable to any land forming part of the claim area shall be deemed to be so much of the amount of that claim as might reasonably be expected to have been attributed to that land if the authority determining that amount had been required to apportion it, in accordance with the same principles as applied to its determination, between that land and the residue of the claim area.

- (5) References in this Part of this Act, other than in this section, to the value of a claim holding are references to the value of that holding immediately before the commencement of this Act.
- (6) Where in accordance with any of the provisions of this Act a part of the benefit of an established claim constitutes a separate claim holding, the interest in land to which that claim holding related—
- (a) if the established claim related to the fee simple of the claim area, shall be taken to have been the fee simple of the area of the claim holding ;
 - (b) if the established claim related to a leasehold interest, shall be taken to have been that leasehold interest in so far as it subsisted in the area of the claim holding.
- (7) Where in accordance with any of the provisions of this Act a claim holding (in this subsection referred to as " the parent holding ") is to be treated as divided into two or more claim holdings, a person who is for the time being the holder of one of those holdings shall be treated as having been the holder thereof at any time when he was the holder of the parent holding.
- (8) In this Act the expression " the holder ", in relation to a claim holding, means the person for the time being entitled to the holding or, where the holding is subject to a mortgage made otherwise than by way of assignment, means the person who would be so entitled if the holding had not been mortgaged.

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3 Payment where development charge incurred by claimholder or person from whom he derives title (Case A)

- (1) The holder of a claim holding shall, subject to the provisions of this Part of this Act, be entitled by virtue of this section to a payment in respect of that holding if either—
 - (a) he has incurred a development charge in respect of land to which this subsection applies ; or
 - (b) he is entitled to an interest in land to which this subsection applies, and a development charge was incurred in respect of that land by a person from whom he derives title to that interest or whose interest has subsequently become merged in that interest.
- (2) The preceding subsection applies to any land which constitutes the area of the claim holding, or part of that area, or which includes that area or part of that area.
- (3) The principal amount of a payment made in respect of a claim holding by virtue of this section—
 - (a) if the development charge was incurred in respect of the whole of the area of the holding, or in respect of land which included the whole of that area, shall not exceed the value of the holding;
 - (b) if the development charge was incurred in respect of part of the area of the holding, or in respect of land which included part (but not the whole) of that area, shall not exceed that fraction of the value of the holding which attaches to that part of the area of the holding.
- (4) Subject to the last preceding subsection, and to the two next following subsections, the principal amount of a payment made by virtue of this section by reference to a development charge shall be the amount of the charge.
- (5) Where apart from this subsection a payment would be payable to virtue of this section by reference to a development charge, and by reason of the payment of that charge—
 - (a) compensation has become payable (whether before or after the commencement of this Act) under subsection (1) of section twenty-two of the principal Act (which relates to cases where planning permission is revoked or modified), or the amount of any compensation so payable has been increased; or
 - (b) in connection with a compulsory acquisition of land (whether before or after the commencement of this Act) the operation of subsection (4) of section fifty-one of the principal Act (which relates to planning permission granted before the notice to treat) has been excluded and the compensation payable in respect of the acquisition has been thereby increased; or
 - (c) on a sale to a public authority possessing compulsory purchase powers (whether before or after the commencement of this Act) the sale price has been increased by being calculated on the basis that the operation of subsection (4) of the said section fifty-one was excluded,the Central Land Board shall reduce or disallow the payment as the Board or, where the Board's findings are referred to the Lands Tribunal under section thirteen of this Act, that Tribunal may determine to be appropriate, having regard to the compensation, or increased compensation, or increased price, as the case may be, payable by reason of the development charge.
- (6) Where two or more payments are payable by virtue of this section in respect of different claim holdings but by reference to the same development charge, and apart

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from this subsection the aggregate of the principal amounts of those payments would exceed the amount of the charge, each such principal amount shall be reduced rateably so that the aggregate of them is equal to the amount of the charge.

- (7) In the following provisions of this Act references to a payment under Case A are references to a payment by virtue of this section.

4 Supplementary provisions relating to development charges

- (1) For the purposes of this Part of this Act a development charge shall be taken to have been incurred in respect of any land if the Central Land Board have (whether before or after the commencement of this Act) determined that the charge was payable in respect of the carrying out of operations in, on, over or under that land, or in respect of the use of that land, and the whole or part of the charge has been paid or has become payable.
- (2) For the purposes of this Part of this Act the person by whom a development charge was incurred shall be taken to be the person by whom or on whose behalf the charge was paid or, if the charge was not paid in full in the first instance, the person who undertook with the Central Land Board to pay the charge or the unpaid balance thereof.
- (3) For the purposes of this Part of this Act the amount of a development charge—
- (a) in a case where the Central Land Board determined that amount as a single capital payment, shall be taken to be the amount so determined ;
 - (b) in a case where the Board determined that amount otherwise than as a single capital payment, shall be taken to be the amount of the single capital payment which would have been payable if the Board had determined the amount as such a payment.

5 Payment where land compulsorily acquired or sold at price wholly or partly excluding development value (Case B)

- (1) The holder of a claim holding shall, subject to the provisions of this Part of this Act, be entitled by virtue of this section to a payment in respect of that holding if, at a time when he was entitled in the same capacity both to the claim holding and to the interest in land to which the holding related, that interest—
- (a) was compulsorily acquired by, or sold to, a public authority possessing compulsory purchase powers, in such circumstances that the compensation payable in respect of the acquisition of the interest, or the price at which the interest was sold, fell short of the sum of the value of the holding and the existing use value of the interest; or
 - (b) was sold, otherwise than to a public authority possessing compulsory purchase powers, at a price which fell short of the sum of the value of the holding and the restricted value of the interest.
- (2) No payment shall be made by virtue of this section by reason that an interest in land was compulsorily acquired or sold as mentioned in paragraph (a) of the preceding subsection if the compensation payable in respect of the acquisition thereof, or the price at which the interest was sold—
- (a) was calculated in accordance with the provisions of Part II of the Town and Country Planning Act, 1944 (which provided for compensation based on market value, by reference to prices current at the thirty-first day of March, nineteen hundred and thirty-nine); or

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- (b) was compensation calculated on the basis of equivalent reinstatement, or a price agreed by reference to compensation so calculated.
- (3) No payment shall be made by virtue of this section unless the transaction in question—
- (a) if it was a compulsory acquisition, or a sale to a public authority possessing compulsory purchase powers, was effected in pursuance of a notice to treat served, or a contract made, on or after the sixth day of August, nineteen hundred and forty-seven, and before the commencement of this Act;
 - (b) if it was a sale otherwise than to a public authority possessing compulsory purchase powers, was effected in pursuance of a contract made on or after the said sixth day of August and before the eighteenth day of November, nineteen hundred and fifty-two, or in pursuance of an option granted on or after the first day of July, nineteen hundred and forty-eight, and before the said eighteenth day of November,
- and unless the acquisition or sale has been completed (whether before or after the commencement of this Act) at the time when an application is made to the Central Land Board for the payment.
- (4) The principal amount of a payment made by virtue of this section in respect of a claim holding—
- (a) in a case falling within paragraph (a) of subsection (1) of this section, shall be the value of the holding, reduced by any amount by which the compensation or sale-price exceeded the existing use value of the interest;
 - (b) in a case falling within paragraph (b) of that subsection, shall be the value of the holding, reduced by any amount by which the sale price exceeded the restricted value of the interest.
- (5) In the application of the preceding provisions of this section to a case where the interest compulsorily acquired or sold extended to land not included in the area of the claim holding—
- (a) references to the compensation payable in respect of the acquisition of the interest, or to the existing use value of the interest, shall be construed respectively as references to so much of that compensation or value as might reasonably be expected to have been attributed to the interest in so far as it subsisted in land included in the area of the claim holding;
 - (b) references to the sale price shall be construed as references to so much of that price as the parties to the sale may reasonably be supposed to have attributed to the interest in so far as it subsisted in land so included ; and
 - (c) references to the restricted value of the interest shall be construed as references to the restricted value of the interest in so far as it subsisted in land so included.
- (6) In the application of the preceding provisions of this section to a case where the interest compulsorily acquired or sold did not extend to the whole area of the claim holding, references to the value of the claim holding shall be construed as references to that fraction of that value which attaches to the part of the area of the claim holding which was comprised in the acquisition or sale.
- (7) Where an interest in land is the subject of a compulsory acquisition or sale such as is mentioned in subsection (3) of this section and—
- (a) on or after the first day of July, nineteen hundred and forty-eight, but before the date of the compulsory acquisition or sale, another interest had become merged with that interest; and

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- (b) the person entitled to the interest compulsorily acquired or sold was at the date of the compulsory acquisition or sale entitled to a claim holding or claim holdings which related to either or each of the merged interests,

this section shall apply as if those interests had not merged but had been separately acquired from or sold by the person entitled to the interest acquired or sold; and the compensation payable in respect of the compulsory acquisition or, as the case may be, the sale price shall be treated as apportioned between those interests accordingly:

Provided that nothing in this subsection shall prejudice the operation of the proviso to subsection (4) of the next following section.

- (8) Where two or more persons are jointly entitled to a claim holding, then, for the purpose of ascertaining whether or not those persons are entitled to a payment in respect of the holding by virtue of this section, any act or event by virtue of which the interest of any one or more of those persons in any of the area of the claim holding passed to any other one or more of those persons shall be deemed not to have occurred.
- (9) The provisions of this and the next following section shall apply in relation to any interest in land vested in the British Transport Commission by subsection (2) of section forty-five of the Transport Act, 1947 (which relates to the acquisition of road haulage undertakings by the Commission) as if that vesting were a compulsory acquisition of that interest and as if the notice of acquisition served under Part III of that Act by virtue of which the interest was so vested were a notice to treat.
- (10) Without prejudice to section ten of this Act, paragraph (b) of subsection (1) of this section shall not apply in relation to a sale in consideration wholly or partly of a rentcharge.
- (11) In the following provisions of this Act references to a payment under Case B are references to a payment by virtue of this section.

6 Supplementary provisions relating to compulsory acquisitions and to sales

- (1) In the last preceding section—
- (a) references to the compensation payable in respect of the acquisition of an interest, or to the price at which an interest was sold to a public authority possessing compulsory purchase powers, shall be construed as excluding so much (if any) of that compensation or price as was attributable to disturbance or to severance or injurious affection;
 - (b) references to the existing use value of an interest acquired by or sold to such a public authority are references to the amount of compensation (not being compensation calculated on the basis of equivalent reinstatement and excluding any compensation for disturbance or for severance or injurious affection) which was or would have been payable in accordance with the provisions of the Acquisition of Land (Assessment of Compensation) Act, 1919, as modified by sections fifty-one to fifty-five of the principal Act.
- (2) Subject to the following provisions of this section, references in the last preceding section to the restricted value of an interest in land, in relation to a sale of that interest, are references to the amount which, for the purposes of Part VI of the principal Act, would have been taken to be the restricted value of that interest on the appointed day if—

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- (a) the date of the sale had been appointed as the appointed day for the purposes of the said Part VI and, so far as required for the purposes of that Part, for the purposes of the Third Schedule to the principal Act;
- (b) references to the seventh day of January, nineteen hundred and forty-seven, in subsection (5) of section sixty-one of the principal Act (which requires values to be calculated by reference to prices current immediately before that day) were references to the date of the sale;
- (c) in a case where the interest was sold subject to a mortgage, subsection (3) of section sixty-two of the principal Act (which requires a mortgaged interest to be valued as if the mortgage had been discharged) did not apply;
- (d) in a case where the land was requisitioned land at the date of the sale and, by reason of a payment under the War Damage Act, 1943, the value of the claim holding referred to in subsection (1) of the last preceding section was affected by a redetermination of development value under paragraph 6 of the First Schedule to this Act, the state of the land had been at the date of the sale what it would have been at the beginning of the period of requisition if the war damage had occurred immediately before the beginning of that period; and
- (e) in a case where the value of the claim holding aforesaid was affected by reason of the fact that Rule (3) of the Rules set out in section two of the Acquisition of Land (Assessment of Compensation) Act, 1919, was disregarded as mentioned in paragraph 10 of the First Schedule to this Act, the reference in subsection (1) of section sixty-two of the principal Act to the said Rule (3) were omitted:

Provided that where the Minister issued in respect of that land or any part thereof a certificate under section eighty of the principal Act (which relates to land ripe for development before the first day of July, nineteen hundred and forty-eight) and at the date of the sale the development specified in the certificate had not been completed, then—

- (i) that certificate shall be deemed not to have been issued ; but
 - (ii) the said references in the last preceding section shall be construed as references to the amount aforesaid increased by the amount of any development charge which, in the opinion of the Central Land Board, would have been determined to be payable in respect of so much of that development as had not been completed if it had been completed and if the certificate had not been issued and the charge had fallen to be determined at the date of the sale.
- (3) Where, in determining the development value of the interest in land to which the claim holding related, a deduction was made in accordance with subsection (6) of section sixty-one of the principal Act (which requires certain amounts prospectively payable as compensation for severance or injurious affection to be deducted in computing the unrestricted value of an interest) or where, in the opinion of the Central Land Board or, where the Board's findings are referred to the Lands Tribunal under section thirteen of this Act, of the Tribunal, if the development value of the interest had fallen to be determined such a deduction would have been made, then, for the purposes of paragraph (b) of subsection (1) and paragraph (b) of subsection (4) of the last preceding section, the value of the claim holding shall be treated as increased by the amount which would have been the amount of the deduction under the said subsection (6) if the date of the sale had been appointed as the appointed day for the purposes of Part VI of the principal Act.

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- (4) Where, in determining the development value of the interest in land to which the claim holding related, the restricted value of the interest on the appointed day was taken to be a minus quantity, or where, in the opinion of the Central Land Board or, where the Board's findings are referred to the Lands Tribunal under section thirteen of this Act, of that Tribunal, if the development value of the interest had fallen to be determined the restricted value of the interest on that day would have been a minus quantity, then, for the purposes of paragraph (a) of subsection (1) and paragraph (a) of subsection (4) of the last preceding section, the value of the claim holding shall be treated as reduced by the amount of that minus quantity:

Provided that where the whole or part of any liability or prospective liability which was or, as the case may be, would have been taken into account in calculating that restricted value had ceased to exist before the date of the compulsory acquisition or sale, the Board or, as the case may be, the Lands Tribunal may, if they think it just and proper so to do, waive in whole or in part, as may appear to them appropriate, any reduction otherwise falling to be made under this subsection.

- (5) For the purposes of this Part of this Act a compulsory acquisition or sale of an interest in land shall be taken to have occurred on the date of service of the notice to treat or, as the case may be, on the date of the making of the contract of sale, or, in the case of the exercise of an option, the date on which the option was granted.

7 Payment where land disposed of by gift (Case C)

- (1) The holder of a claim holding shall, subject to the provisions of this Part of this Act, be entitled by virtue of this section to a payment in respect of that holding if, at a time when he was beneficially entitled both to the claim holding and to the interest in land to which the holding related or another interest in which that interest had merged, he made a disposition otherwise than for valuable consideration, being a disposition by virtue of which he parted absolutely with the whole of his beneficial interest in that land.
- (2) No payment shall be made by virtue of this section unless the disposition was made on or after the first day of July, nineteen hundred and forty-eight, and before the eighteenth day of November, nineteen hundred and fifty-two.
- (3) The principal amount of a payment made by virtue of this section in respect of a claim holding shall be the value of the holding.
- (4) In the application of this section to a case where the disposition did not extend to the whole area of the claim holding, the last preceding subsection shall apply as if the reference to the value of the claim holding were a reference to that fraction of that value which attaches to the part of the area of the claim holding which was comprised in the disposition.
- (5) Where, in determining the development value of the interest in land to which the claim holding related, the restricted value of the interest on the appointed day was taken to be a minus quantity, or where, in the opinion of the Central Land Board or, where the Board's findings are referred to the Lands Tribunal under section thirteen of this Act, of that Tribunal, if the development value of the interest had fallen to be determined the restricted value of the interest on that day would have been a minus quantity, then for the purposes of this section, the value of the claim holding shall be treated as reduced by the amount of that minus quantity:

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Provided that where the whole or part of any liability or prospective liability which was or, as the case may be, would have been taken into account in calculating that restricted value had ceased to exist before the date of the disposition in question, the Board or, as the case may be, the Lands Tribunal may, if they think it just and proper so to do, waive in whole or in part, as may appear to them appropriate, any reduction otherwise falling to be made under this subsection.

- (6) In the following provisions of this Act references to a payment under Case C are references to a payment by virtue of this section.

8 Payment where claim holding purchased (Case D)

- (1) The holder of a claim holding shall, subject to the provisions of this Part of this Act, be entitled by virtue of this section to a payment in respect of the holding if—
- (a) he became entitled to the holding under a disposition to which this section applies, or derives title to it from a person who so became entitled to it; and
 - (b) at no time since the date of that disposition has the same person been entitled in the same capacity both to the claim holding and to the interest in land to which the holding related.
- (2) This section applies to any disposition for valuable consideration effected before the eighteenth day of November, nineteen hundred and fifty-two, or effected in pursuance of a contract of sale made before that day or in pursuance of the exercise before the commencement of this Act of an option granted on or after the first day of July, nineteen hundred and forty-eight, and before the eighteenth day of November, nineteen hundred and fifty-two:

Provided that this section does not apply to mortgages.

- (3) The principal amount of a payment made by virtue of this section in respect of a claim holding shall be the value of the holding or the amount of the consideration for the disposition, whichever is the less.
- (4) For the purposes of the last preceding subsection, if the dispositions under which the holder, and any predecessors in title of his, became entitled to the holding include two or more dispositions to which this section applies, each of those dispositions other than the latest of them shall be disregarded.
- (5) References in this Act to a payment under Case D are references to a payment by virtue of this section.

9 Payment under Case A, B or C to person deriving title from original claim-holder

The holder of a claim holding shall, subject to the provisions of this Part of this Act, be entitled by virtue of this section to a payment in respect of the holding under Case A, Case B or Case C, notwithstanding that apart from this section he would not be entitled to a payment thereunder, if he—

- (a) derives title to the claim holding from a person who would have been entitled to such a payment as aforesaid if that person had continued to be the holder of the claim holding ; and
- (b) became entitled to the claim holding—
 - (i) otherwise than for valuable consideration ; or

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- (ii) as mortgagee; or
- (iii) as assignee under an assignment made on or after the eighteenth day of November, nineteen hundred and fifty-two, which has been approved by the Central Land Board under subsection (2) of section two of the Act of 1953 ; and
- (c) has not at any time been entitled in the same capacity both to the claim holding and to the interest in land to which the holding related ; and
- (d) is not entitled to a payment in respect of the holding under Case D.

10 Payments in cases analogous to Case B

- (1) The holder of a claim holding shall, subject to the provisions of this Part of this Act, be entitled by virtue of this section to a payment in respect of that holding if the interest in land to which the claim holding related or another interest in which that interest had merged was affected by an act or event such as is mentioned in the next following subsection, and the Central Land Board or, where the Board's findings are referred to the Lands Tribunal under section thirteen of this Act, that Tribunal, having regard to the circumstances in which the act or event occurred, are satisfied that he would have been entitled to a payment under Case B if the interest so affected (in the next following subsection referred to as the "relevant interest") had been compulsorily acquired, or sold, in comparable circumstances.
- (2) The said acts and events are—
 - (a) the grant of a tenancy immediately out of the relevant interest, or the renewal or continuance of a tenancy so granted;
 - (b) a sale of the relevant interest or of that interest in so far as it subsisted in particular land, where the consideration for the sale consisted wholly or partly of a rentcharge;
 - (c) the compulsory acquisition of land other than the land in which the relevant interest subsisted, or the sale of such land to a public authority possessing compulsory purchase powers, resulting (in either case) in damage sustained in respect of the relevant interest by reason of the severance of the land acquired or sold from the land in which the interest subsisted, or by reason that the relevant interest was injuriously affected, being damage in respect of which compensation fell, or if the sale had been a compulsory acquisition would have fallen, to be assessed in accordance with the provisions of Part V of the principal Act (which provides for compensation on the basis of existing use value) as applied by subsection (4) of section one hundred and nineteen of that Act; and
 - (d) the occurrence of damage to the land in which the relevant interest subsisted, where the land was requisitioned land and the damage occurred during the period of requisition, being damage in respect of which compensation fell to be assessed in accordance with section two of the Compensation (Defence) Act, 1939, as modified by section ten of the Requisitioned Land and War Works Act, 1948 (which limits the compensation to an amount calculated on the basis of existing use value).
- (3) In determining, for the purposes of subsection (1) of this section, whether the holder of the claim holding would have been entitled to a payment under Case B as mentioned in that subsection, the Central Land Board or, as the case may be, the Lands Tribunal shall have regard in particular to the time at which the act or event occurred, and to the times specified in subsection (3) of section five of this Act, and—

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- (a) in the case of a tenancy, to the capital value of the consideration for the grant, renewal or continuance thereof;
- (b) in the case of a sale falling within paragraph (b) of the last preceding subsection, to the capital value of the rentcharge or, as the case may be, to the aggregate consideration represented by the price paid and the capital value of the rentcharge;
- (c) in the case of a compulsory acquisition falling within paragraph (c) of the last preceding subsection or in a case falling within paragraph (d) of that subsection, to the compensation paid or payable in respect of the damage referred to in that paragraph ;
- (d) in the case of a sale falling within paragraph (c) of the last preceding subsection, to the sale price in so far as it represented compensation in respect of the damage referred to in that paragraph,

and (in each such case) to the extent to which the consideration, rentcharge, compensation or price, as the case may be, failed adequately to reflect the development value of the interest in land to which the claim holding related, as measured by the value of the claim holding.

- (4) In the case of the grant, renewal or continuance of a tenancy, a payment shall not be made by virtue of this section if the Central Land Board or, as the case may be, the Lands Tribunal are satisfied, having regard—
 - (a) to the duration of the term for which the tenancy was granted, renewed or continued ; and
 - (b) to any restrictions on development subject to which the tenancy was granted, renewed or continued,

that the consideration could not reasonably be expected to have been greater if Part VII of the principal Act (which relates to development charges) had not been enacted.

- (5) The principal amount of a payment made by virtue of this section shall be such amount as the Board or, as the case may be, the Tribunal may determine to be appropriate, having regard to the matters specified in subsection (3) of this section and to the provisions of subsection (4) of section five of this Act.

11 Residual payments in cases analogous to Cases A and B

- (1) A person (in this section referred to as " the applicant") shall, subject to the provisions of this Part of this Act, be entitled by virtue of this section to a payment in respect of a claim holding of which he is not the holder if—
 - (a) the applicant is entitled to an interest in land which constitutes the area of the claim holding, or part of that area, or which includes that area or part of that area, and has incurred a development charge in respect of that land; or
 - (b) the interest in land to which the claim holding related or another interest in which that interest had merged was (as respects the whole or part of the area of the claim holding) compulsorily acquired by, or sold to, a public authority possessing compulsory purchase powers,

and the Central Land Board or, where the Board's findings are referred to the Lands Tribunal under section thirteen of this Act, that Tribunal are satisfied, having regard to the circumstances in which the development charge was incurred, or the interest was acquired or sold, as the case may be, that the applicant would have been entitled to a payment under Case A or Case B if he had been the holder of the claim holding at all material times.

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- (2) Except in a case falling within subsection (4) of this section, a payment shall not be made by virtue of this section unless it is shown—
- (a) in a case falling within paragraph (a) of the preceding subsection, that the person incurring the development charge, or a person from whom he derived title, had previously purchased the interest in land to which the claim holding related (either as respects the whole or a part of the area of the claim holding) from the person who, at the time of the purchase, was the holder of the claim holding, or that he was the tenant under a tenancy created immediately out of that interest (either as respects the whole or a part of that area) by the person who was then the holder of the claim holding ; or
 - (b) in a case falling within paragraph (b) of the preceding subsection, that the interest compulsorily acquired or sold had previously been purchased by the applicant, or a person from whom the applicant derived title, from the person who, at the time of the purchase, was the holder of the claim holding,
- and (in either case) the Central Land Board or, as the case may be, the Lands Tribunal are satisfied that the consideration for the previous purchase, or the tenancy, as the case may be, did not wholly exclude the development value of the interest in land to which the claim holding related, as measured by the value of the claim holding.
- (3) For the purposes of the last preceding subsection, a previous purchase shall be disregarded if it was a /purchase by a public authority possessing compulsory purchase powers.
- (4) The case referred to in the exception mentioned in subsection (2) of this section is a case where a person who died on or after the first day of July, nineteen hundred and forty-eight, and before the twenty-sixth day of February, nineteen hundred and fifty-four, was immediately before his death the holder of the claim holding and entitled to the interest in land to which the claim holding related, and by his will disposed of that interest and of the claim holding in such a way that the applicant—
- (a) is entitled to that interest, or will (subject to the powers of personal representatives) be entitled to require that interest to be vested in him; but
 - (b) is not entitled to the claim holding or to any interest in that holding or in the proceeds of sale thereof.
- (5) Subject to the next following subsection, the principal amount of a payment made by virtue of this section shall be such amount as the Central Land Board or, as the case may be, the Lands Tribunal may determine to be appropriate, having regard to the provisions of this Part of this Act relating to payments under Cases A and B.
- (6) Where apart from this subsection a payment would be payable in respect of a claim holding by virtue of this section, and one or more payments in respect of that holding are payable under any of Cases A to D, or under the last preceding section, or the Central Land Board or, as the case may be, the Lands Tribunal are satisfied that one or more such payments would be or have been so payable if applied for, then for the purposes of this section the Board shall subtract from the value of the claim holding the amount or aggregate amount of the payment or payments which are so payable, or which in the opinion of the Board, or, as the case may be, of the Tribunal would be or have been so payable, as the case may be, and shall treat that value as reduced, or the claim holding as extinguished, accordingly.

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12 Payments not to exceed value of claim holding

- (1) Where two or more payments are payable in respect of the same claim holding by virtue of the preceding provisions of this Part of this Act, other than the last preceding section, the authority determining the amount of any such payment shall apportion that amount between the different parts of the area of the claim holding in such manner as appears to that authority proper, and if the aggregate of the portions of the principal amounts of the respective payments so apportioned to any part of the area of the claim holding would, apart from the provisions of this subsection, exceed the fraction of the value of the claim holding attaching to that part of the area thereof, those portions shall be reduced rateably so that the aggregate of them is equal to the said fraction, and the said principal amounts shall be treated as reduced accordingly.
- (2) Where two or more payments are payable in respect of the same claim holding by virtue of the last preceding section, the aggregate of the principal amounts of those payments shall not exceed the value of the claim holding or, where that value is treated as reduced in accordance with subsection (6) of the last preceding section, that value as so reduced.

13 Applications for payments under Part I

- (1) No payment under this Part of this Act shall be payable unless an application for the payment is made to the Central Land Board in such manner, within such period (not being less than three months from the commencement of this Act), and accompanied by such particulars and verified by such evidence, as may be prescribed by regulations under this section, or as may be required by the Board in accordance with such regulations:

Provided that the Board may in any particular case (either before, on or after the date on which the time for applying would otherwise have expired) allow an extended, or further extended, period for making an application for such a payment.

- (2) Provision shall be made by regulations under this section—
 - (a) for requiring applications for payments under this Part of this Act to be determined by the Central Land Board in such manner as may be prescribed by the regulations;
 - (b) for regulating the practice and procedure to be followed in connection with the determination of such applications ;
 - (c) for requiring the Board, on determining any such application, to give notice of their findings to the applicant, and, if their findings include an apportionment, to give particulars of the apportionment to any other person entitled to an interest in land which it appears to the Board will be substantially affected by the apportionment.
- (3) Subject to the next following subsection, provision shall be made by regulations under this section—
 - (a) for enabling the applicant, if he wishes to dispute the Board's findings, or any other person to whom particulars of an apportionment have been given in accordance with the last preceding subsection, or who establishes that he is entitled to an interest in land which is substantially affected by an apportionment included in the Board's findings, if he wishes to dispute the apportionment, to require the findings or, as the case may be, the apportionment to be referred to the Lands Tribunal;

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- (b) for enabling the applicant and, so far as the reference relates to an apportionment, every other such person as aforesaid to be heard by the Tribunal on any reference under this subsection ; and
 - (c) for requiring the Tribunal, on any such reference, either to confirm or to vary the Board's findings or, as the case may be, the apportionment and to notify the parties of their decision.
- (4) Where on a reference to the Lands Tribunal under this section it is shown that an apportionment relates wholly or partly to the same matters as a previous apportionment and is consistent with that previous apportionment in so far as it relates to those matters, the Tribunal shall not vary the apportionment in such a way as to be inconsistent with the previous apportionment in so far as it relates to those matters.

14 Payments to be made by Central Land Board

- (1) Subject to the provisions of this section, where a person is entitled to a payment in accordance with the preceding provisions of this Part of this Act, the Central Land Board shall pay to that person the principal amount of the payment together with interest thereon at the rate of three and one-half per cent. per annum from the first day of July, nineteen hundred and forty-eight, to the date of payment:

Provided that if the payment is made after the thirtieth day of June, nineteen hundred and fifty-five, the interest shall be calculated to that day instead of the date of payment.

- (2) Where apart from this subsection a person would be entitled to a payment in accordance with the preceding sections of this Part of this Act, the Central Land Board may set off against the principal amount of that payment—
- (a) any sum which, at the time when (apart from this subsection) that payment would be due to be made, is owing to the Board by that person in respect of a development charge ; and
 - (b) any sum which is then due to become payable by that person in the future in respect of a development charge,

or, where the aggregate of any such sums is greater than the principal amount of the payment, a part thereof equal to that principal amount; and the principal amount of the payment to be made to that person shall for the purposes of the preceding subsection be treated as reduced accordingly, or, if the sums or parts of sums set off are equal to the principal amount of the payment which would have been payable apart from this subsection, the right of that person to receive any payment under the preceding subsection shall be extinguished:

Provided that for the purposes of paragraph (a) or (b) of this subsection so much of any such sum therein mentioned as is attributable to interest shall be disregarded.

- (3) Where the Board are satisfied that (apart from the last preceding subsection) a person would have been entitled to a payment in accordance with the preceding sections of this Part of this Act if he had applied for that payment within the period prescribed under the last preceding section, then, if that person has failed to apply for the payment within that period or within any extended period allowed under the last preceding section, the Board may determine the principal amount of the payment to which he would have been so entitled, and the last preceding subsection shall apply as if he had become so entitled to the payment and the principal amount thereof had been the principal amount determined under this subsection.

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15 Effect of payments on claim holdings

(1) Subject to the provisions of this section, where in accordance with the provisions of this Part of this Act a payment becomes payable in respect of a claim holding, then, for the purposes of the following Parts of this Act—

- (a) if the principal amount of the payment is not less than the value of the claim holding, the holding shall be deemed to have been extinguished immediately before the commencement of this Act;
- (b) if the principal amount of the payment is less than the value of the claim holding, the value of the holding shall be deemed to have been reduced immediately before the commencement of this Act by the principal amount of the payment:

Provided that if in the case of any claim holding a payment becomes payable under Case D, then, regardless of the amount of that payment, that holding shall for the purposes of the following Parts of this Act be deemed to have been extinguished immediately before the commencement of this Act.

(2) The preceding subsection shall apply where two or more payments under this Part of this Act are payable in respect of the same claim holding, with the substitution for references to the principal amount of the payment of references to the aggregate of the principal amounts of the payments.

(3) Where one or more acts or events have occurred whereby in accordance with the provisions of this Part of this Act one or more payments become payable in respect of a claim holding (in this section referred to as " the parent holding ") and any such act or event did not extend to the whole of the area of the parent holding, then, both for the purposes of the preceding provisions of this section and for the purposes of the following Parts of this Act—

- (a) the parent holding shall be treated as having been divided immediately before the commencement of this Act into as many separate claim holdings, with such areas, as may be necessary to ensure that in the case of each holding either any such act or event as aforesaid extending to the area of that holding extended to the whole thereof or no such act or event extended to the area of that holding ;
- (b) the value of each of the separate holdings respectively shall be taken to be that fraction of the value of the parent holding which then attached to the part of the area of the parent holding constituting the area of the separate holding;
- (c) the authority determining the amount of any such payment shall apportion that amount between the areas of the separate claim holdings to which the act or event in question extended in such manner as may appear to that authority proper, and the portion of that amount apportioned to the area of any separate claim holding shall be taken to be a payment payable under this Part of this Act in respect of that claim holding.

(4) For the purposes of this section—

- (a) a payment shall be treated as having become payable notwithstanding that the right to receive the payment has been extinguished by subsection (2) of the last preceding section ;
- (b) any reduction of the principal amount of a payment by virtue of that subsection shall be disregarded;
- (c) where in accordance with subsection (3) of the last preceding section the Central Land Board have determined the principal amount of a payment, as

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being a payment to which a person would have been entitled as mentioned in that subsection, that payment shall be treated as if it had become payable and as if the principal amount thereof had been the principal amount so determined.