



Business Tenancies Act (Northern Ireland) 1964

1964 CHAPTER 36

PART II

COMPENSATION FOR IMPROVEMENTS

33 Measure of compensation for improvements.

- (1) The sum to be paid under this Part as compensation for any improvement on premises comprised in a tenancy shall not exceed the lesser of—
 - (a) the net addition to the value of those premises as a whole at the termination of the tenancy which may be determined to be the direct result of the improvement; or
 - (b) the reasonable cost of carrying out the improvement at the termination of the tenancy, subject to a deduction of an amount equal to the cost, if any, of putting the works constituting the improvement into a reasonable state of repair, except so far as such cost is covered by the liability of the tenant under any covenant or agreement as to the repair of the premises.
- (2) In determining the amount of such net addition as is mentioned in subsection (1)(a), regard shall be had to the purposes for which it is intended that the premises shall be used after the termination of the tenancy, and if it is shown that it is intended to demolish or to make structural alterations in the premises or any part thereof or to use the premises for a different purpose, regard shall be had to the effect of such demolition, alteration or change of user on the additional value attributable to the improvement, and to the length of time likely to elapse between the termination of the tenancy and the demolition, alteration or change of user.
- (3) In the absence of agreement between the parties, all questions as to the right to compensation under this Part, or as to the amount thereof, shall be referred to and determined by the Lands Tribunal, and if the Lands Tribunal determines that, on account of the intention to demolish or alter or to change the user of the premises, no compensation or a reduced amount of compensation shall be paid, the Lands Tribunal

Changes to legislation: *There are currently no known outstanding effects for the Business Tenancies Act (Northern Ireland) 1964, Section 33. (See end of Document for details)*

may authorise a further application for compensation to be made by the tenant if effect is not given to the intention within such time as may be fixed by the Lands Tribunal.

- (4) The Lands Tribunal in determining the compensation for an improvement shall in reduction of the tenant's claim take into consideration—
- (a) any benefits which the tenant or his predecessors in title may have received from the landlord or his predecessors in title in consideration expressly or impliedly of the improvement;
 - (b) any grant paid or payable under any enactment to the tenant or any of his predecessors in title towards the cost of such improvement.

Changes to legislation:

There are currently no known outstanding effects for the Business Tenancies Act (Northern Ireland) 1964, Section 33.