



Water Act 2003

2003 CHAPTER 37

PART 1

ABSTRACTION AND IMPOUNDING

Claims and compensation

26 Recovery of compensation from new licence-holder

After section 61 of the WRA there is inserted—

“61A Recovery of compensation from new licence-holder

- (1) This section applies where compensation has been paid under section 61 above to the holder of a licence (“licence A”) following its revocation, and—
 - (a) the holder of licence A was a water undertaker;
 - (b) at the time of the revocation an application from a qualifying person for a licence to abstract water (“licence B”) was outstanding;
 - (c) if the Agency had granted licence B while licence A still had effect, the Agency would have been in breach of the duty imposed on it by section 39(1) above owed to the holder of licence A;
 - (d) the ground for revoking licence A was that the Agency was of the view that in the interests of greater efficiency in the use of water resources it would be better for licence B to be granted and licence A revoked; and
 - (e) the Agency proposes to grant licence B.
- (2) If this section applies, the Agency may (if licence B is granted) recover from the qualifying person the amount of the compensation referred to in subsection (1) above (or such lesser amount as the Agency determines).
- (3) Subsection (6) of section 41 of the 1995 Act (which confers powers to make schemes imposing charges) shall apply to the amount referred to in

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subsection (2) above as if it were a charge due and payable to the Agency in respect of the subsistence of licence B.

- (4) In this section, “qualifying person” means—
- (a) a water undertaker; or
 - (b) a person who has made an application for an appointment or variation replacing a company as a water undertaker under section 8 of the Water Industry Act 1991 which has not been determined.”

Commencement Information

II S. 26 in force at 1.10.2004 by S.I. 2004/2528, art. 2(a) (with Sch. para. 18)

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 52(9) inserted by [2014 c. 21 Sch. 7 para. 133\(3\)](#)