



# Compensation (Defence) Act 1939

1939 CHAPTER 75 2 and 3 Geo 6

*General and Supplementary Provisions*

## 10 Interest on compensation.

Any compensation under this Act shall carry interest, as from the date on which it accrues due until payment, at such rate not exceeding five per cent. per annum as the Treasury may from time to time by order prescribe.

### Modifications etc. (not altering text)

- C1 S. 10 applied by [Requisitioned Land and War Works Act 1948 \(c. 17\), s. 13\(4\)\(5\)](#); applied with modifications by [Public Works \(Festival of Britain\) Act 1949 \(c. 26\), s. 5\(8\)\(b\)](#)

## 11 Limitation of time for claiming compensation.

No claim for any compensation under this Act shall be entertained unless notice of the claim has, in such form and manner as may be prescribed, been given to the prescribed authority within the period of six months, or such longer period as the Treasury may, either generally or in relation to any particular claim or class of claims, allow, beginning in either case with the date on which the compensation accrues due or the date of the passing of this Act, whichever is the later.

### Modifications etc. (not altering text)

- C2 S. 11 amended by [Landlord and Tenant \(Requisitioned Land\) Act 1942 \(c. 13\), s. 6\(3\)](#); applied with modifications by [Public Works \(Festival of Britain\) Act 1949 \(c. 26\), s. 5\(8\)\(b\)](#)

## 12 Exclusion of compensation under Act in certain cases.

- (1) No person shall, by virtue of this Act, be entitled to compensation in respect of the acquisition on behalf of His Majesty of any currency, gold or securities, or in respect

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of the taking control on behalf of His Majesty of any railway undertaking or any undertaking carried on by any person by whom a railway undertaking is carried on, or of any part of such an undertaking as aforesaid.

- (2) No compensation shall, by virtue of this Act, be payable to any person in respect of any loss of, or damage to, property, if and so far as that person has become entitled, apart from the provisions of this Act, to recover any sum by way of damages or indemnity in respect of that loss or damage or is, at the time of the occurrence of the loss or damage, required under any contract with the Crown to be insured in respect thereof.

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

- C3** S. 12 applied with modifications by [Public Works \(Festival of Britain\) Act 1949 \(c. 26\)](#), s. **5(8)(b)**  
**C4** S. 12(2) amended by [Landlord and Tenant \(Requisitioned Land\) Act 1944 \(c. 5\)](#), s. **3(2)**

**13 Provisions as to property subject to hire-purchase agreements.**

In a case where any property in respect of the requisition or acquisition of which compensation is required by the preceding provisions of this Act to be paid to the person who is the owner of the property immediately before the requisition or acquisition, is then in the possession of some other person by virtue of a hire-purchase agreement [<sup>F1</sup>or a conditional sale agreement], that person may, by a notice given in the prescribed form and manner to the prescribing authority, within the period limited by this Act in relation to the making of any claim by the owner for payment of the compensation, make a claim to have apportioned to him such part of the compensation as may be specified in his claim; and, in default of agreement between the parties, the last-mentioned claim shall be referred to the tribunal constituted under this Act which has jurisdiction in the matter of any such claim by the owner, and thereupon that tribunal may apportion the compensation between the owner and the other person in such manner as appears to it to be just.

**Textual Amendments**

- F1** Words inserted by [Consumer Credit Act 1974 \(c. 39, SIF 60\)](#), s. **192(3)(a)(4)**, Sch. 4 Pt. I para. 7

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

- C5** S. 13 applied with modifications by [Public Works \(Festival of Britain\) Act 1949 \(c. 26\)](#), s. **5(8)(b)**

**14 Provisions as to property subject to mortgages, pledges, &c.**

[<sup>F2</sup>(1)] Where any sum by way of compensation is paid in accordance with any provisions of this Act requiring compensation to be paid to the owner of any property, then, if at the time when the compensation accrues due, the property is subject to any mortgage, pledge, lien or other similar obligation, the sum so paid shall be deemed to be comprised in that mortgage, pledge, lien or other obligation.

[<sup>F3</sup>(2) Where any goods have been requisitioned in such circumstances as to give a right to compensation assessed under section 6 of this Act, the ownership of the goods shall be deemed to have vested in the Crown as from the time of requisition free from any mortgage, pledge, lien or similar obligation.]

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**Textual Amendments**

- F2** S. 14 renumbered by Statute Law (Repeals) Act 1989 (c. 43), s. 1(2), **Sch. 2 Pt. II para. 10**  
**F3** S. 14(2) inserted by Statute Law (Repeals) Act 1989 (c. 43), s. 1(2), **Sch. 2 Pt. II para. 10**

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

- C6** S. 14 applied with modifications by Public Works (Festival of Britain) Act 1949 (c. 26), **s. 5(8)(b)**

**15 Compensation payable apart from the Act.**

The provisions of this Act shall be without prejudice to any agreement for the making of any payment (whether by way of compensation or otherwise) in respect of the doing of anything on behalf of His Majesty in the exercise of emergency powers; but, where compensation in respect of the doing of anything as aforesaid, would, apart from this section, be payable both under this Act and under some other enactment or rule of law, then, subject to any such agreement as aforesaid, the compensation shall be payable in accordance with this Act and not otherwise.

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

- C7** S. 15 applied by Landlord and Tenant (Requisitioned Land) Act 1944 (c. 5), **s. 3(3)**; applied with modifications by Public Works (Festival of Britain) Act 1949 (c. 26), **s. 5(8)(b)**; saved by Requisitioned Land and War Works Act 1945 (c. 43), **ss. 23** proviso (b), 47

**16 Service of notices.**

Any notice which by this Act is required or authorised to be served on any person may be served by post.

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

- C8** S. 16 applied with modifications by Public Works (Festival of Britain) Act 1949 (c. 26), **s. 5(8)(b)**

**17 Interpretation.**

- (1) In this Act the following expressions have the meanings hereby respectively assigned to them, that is to say—

“agricultural land” means any land used as arable, meadow or pasture land, land used for a plantation or a wood or for the growth of saleable underwood, or land used for the purpose of poultry farming, market gardens, nursery grounds, orchards or allotments, including allotment gardens within the meaning of the <sup>M1</sup>Allotments Act, 1922;

“aircraft” means any flying machine, glider or airship or any balloon (whether fixed or free);

[<sup>F4</sup>“conditional sale agreement” means an agreement for the sale of goods which a consumer credit agreement within the meaning of the Consumer Credit Act 1974 under which the purchase price or part of it is payable by instalments, and the property in the goods is to remain in the seller (notwithstanding that the buyer is to be in possession of the goods) until such

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conditions as to the payment of instalments or otherwise may be specified in the agreement are fulfilled;]

“the emergency” means the emergency that was the occasion of the passing of this Act;

“emergency powers” means any power conferred by—

- (a) ..... F5
- (b) ..... F6
- (c) section seven of the <sup>M2</sup>Air Navigation Act, 1920, as amended by any subsequent enactment,

or any power exercisable by virtue of the prerogative of the Crown;

“exercise” includes purported exercise;

“fair wear and tear,” in relation to any property possession of which is taken on behalf of His Majesty or which is requisitioned on behalf of His Majesty, means such fair wear and tear as might have been expected to occur but for the fact that possession of the property was so taken or that the property was so requisitioned, as the case may be;

“goods” means chattels other than vessels, vehicles and aircraft;

“the High Court” means the High Court of Justice in England;

[<sup>F7</sup>“hire-purchase agreement” means an agreement which is a consumer credit agreement within the meaning of the Consumer Credit Act 1974, other than a conditional sale agreement, under which—

- (a) goods are bailed or (in Scotland) hired in return for periodical payments by the person to whom they are bailed or hired, and
- (b) the property in the goods will pass to that person if the terms of the agreement are complied with and one or more of the following occurs—
  - (i) the exercise of an option to purchase by that person,
  - (ii) the doing of any other specified act by any party to the agreement,
  - (iii) the happening of any other specified event;]

“land” includes (without prejudice to any of the provisions of section three of the <sup>M3</sup>Interpretation Act, 1889,) land covered with water, and parts of houses or buildings;

“owner” means—

- (a) in relation to land, the person who is receiving the rackrent of the land, whether on his own account or as agent or trustee for any other person, or who would so receive the rackrent of the land if it were let at a rackrent, or
- (b) in relation to any property other than land, the person entitled to sell the property, it being assumed not to be subject to any mortgage, pledge, lien or other similar obligation;

and in this definition the expression “rackrent” has the same meaning as in the <sup>M4</sup>Public Health Act, 1936;

“prescribed” means prescribed by rules made by the Treasury;

“requisition” means, in relation to any property, take possession of the property or require the property to be placed at the disposal of the requisitioning authority; “ship” and “vessel” [<sup>F8</sup>have the same meaning as “ship” in the Merchant Shipping Act 1995]; and

“war operations” means action taken by an enemy, or action taken in combating an enemy or in repelling an imagined attack by an enemy.

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[<sup>F9</sup>(2) For the purposes of this Act, the doing of work on land means the doing of any work on, over or below the surface of the land, and, in particular, includes the making of any erection or excavation, the placing of anything, and the maintenance, removal, demolition, pulling down, destruction or rendering useless of any thing, on, over or below that surface.]

**Textual Amendments**

- F4** Definition of “conditional sale agreement” inserted by [Consumer Credit Act 1974 \(c. 39, SIF 60\)](#), **Sch. 4 Pt. I para. 8**
- F5** In the definition of “emergency powers” para. (a) repealed by [Statute Law \(Repeals\) Act 1976 \(c. 16\)](#), **Sch. 1 Pt. XX**
- F6** In the definition of “emergency powers” para. (b) repealed by virtue of [Statute Law \(Repeals\) Act 1973 \(c. 39\)](#), s. 1(1), **Sch. 1 Pt. IX** and [Statute Law \(Repeals\) Act 1976 \(c. 16\)](#), s. 1, **Sch. 1 Pt. XX**
- F7** Definition of “hire-purchase agreement” substituted by [Consumer Credit Act 1974 \(c. 39, SIF 60\)](#), **Sch. 4 Pt. I para. 8**
- F8** Words in definition of “ship” and “vessel” substituted (1.1.1996) by [1995 c. 21](#), ss. 314(2), 316(3), **Sch. 13 para. 18** (with s. 312(1))
- F9** S. 17(2) substituted by [Requisitioned Land and War Works Act 1945 \(c. 43\)](#), **s. 50**

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

- C9** S. 17 applied with modifications by [Public Works \(Festival of Britain\) Act 1949 \(c. 26\)](#), **s. 5(8)(b)**

**Marginal Citations**

- M1** 1922 c. 51.
- M2** 1920 c. 80.
- M3** 1889 c. 63.
- M4** 1936 c. 49.

**18 Application to Scotland and Northern Ireland.**

(1) For the purpose of the application of this Act to Scotland, the expression “chattels” means corporeal moveables; . . . <sup>F10</sup>; the reference in the last preceding section to [<sup>F11</sup>allotment gardens within the meaning of the Allotments Act, 1922 is omitted]; and the expression “owner”, where used in relation to land, has the like meaning as in the <sup>M5</sup>Public Health (Scotland) Act, 1897.

<sup>F12</sup>(2) . . . . .

(3) For the purpose of the application of this Act to Northern Ireland, the expression “rackrent,” where used in relation to land, has the same meaning as in the <sup>M6</sup>Public Health (Ireland) Act, 1878.

[<sup>F13</sup>(4) Sections seven and nine of this Act shall have effect with these modifications—

- (a) in their application to proceedings in Scotland before a tribunal constituted under this Act, for references to the High Court there shall be substituted references to the Court of Session;
- (b) in their application to proceedings in Northern Ireland before a tribunal constituted under this Act, for references to the High Court there shall be substituted references to the High Court of Justice in Northern Ireland.]

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#### Textual Amendments

- F10** Words repealed by [Consumer Credit Act 1974 \(c. 39, SIF 60\)](#), **s. 192(3)(b)**, Sch. 5 Pt. I
- F11** Words in s. 18(1) substituted (S.) (1.4.2018) by [Community Empowerment \(Scotland\) Act 2015 \(asp 6\)](#), s. 142(1), **sch. 4 para. 2**; S.S.I. 2017/458, art. 2, sch. (with art. 4)
- F12** S. 18(2) repealed (3.4.2006) by [Constitutional Reform Act 2005 \(c. 4\)](#), s. 148(1), Sch. 4 para. 22(a), **Sch. 18 Pt. 2**; S.I. 2006/1014, Sch. 1 para. 30(b)
- F13** S. 18(4) substituted (3.4.2006) by [Constitutional Reform Act 2005 \(c. 4\)](#), s. 148(1), **Sch. 4 para. 22(b)**; S.I. 2006/1014, Sch. 1 para. 11(d)

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

- C10** S. 18(2) applied by [War Damaged Sites Act 1949 \(c. 84\)](#), **s. 13**

#### Marginal Citations

- M5** 1897 c. 38.
- M6** 1878 c. 52.

## 19 Extension of Act to Isle of Man and Channel Islands.

- (1) His Majesty may by Order in Council direct that this Act shall extend to the Isle of Man or any of the Channel Islands, with such exception, adaptations and modifications as may be specified in the Order.
- (2) Any Order in Council under this section may be varied or revoked by a subsequent Order of His Majesty in Council.

## 20 <sup>X1†</sup>Short title and commencement.

- (1) This Act may be cited as the Compensation (Defence) Act, 1939.
- (2) . . . . . <sup>F14</sup>

#### Editorial Information

- X1** A dagger appended to a marginal note means that it is no longer accurate.

#### Textual Amendments

- F14** S. 20(2) repealed by [Statute Law Revision Act 1950 \(14 Geo. 6 c. 6\)](#)

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