



# Building Act 1984

## 1984 CHAPTER 55

### PART IV

#### GENERAL

#### *Compensation, and recovery of sums*

#### **106 Compensation for damage.**

- (1) A local authority shall make full compensation to a person who has sustained damage by reason of the exercise by the authority, in relation to a matter as to which he has not himself been in default, of any of their powers under this Act.
- (2) <sup>F1</sup>... Any dispute arising under this section as to the fact of damage, or as to the amount of compensation, shall be determined by arbitration.

<sup>F2</sup>(3) .....

#### **Textual Amendments**

- F1** Words in s. 106(2) omitted (28.6.2022 for E., 5.9.2023 for W.) by virtue of [Building Safety Act 2022](#) (c. 30), s. 170(4)(b)(c), [Sch. 5 para. 67\(2\)](#); S.I. 2022/561, reg. 3(f), Sch. para. 33; S.I. 2023/914, reg. 2(b)(xiii), Sch. para. 24
- F2** S. 106(3) omitted (28.6.2022 for E., 5.9.2023 for W.) by virtue of [Building Safety Act 2022](#) (c. 30), s. 170(4)(b)(c), [Sch. 5 para. 67\(3\)](#); S.I. 2022/561, reg. 3(f), Sch. para. 33 (with reg. 7(2)); S.I. 2023/914, reg. 2(b)(xiii), Sch. para. 24 (with reg. 8)

#### **107 Recovery of expenses etc.**

- (1) Where a local authority have incurred expenses for whose repayment the owner of the premises in respect of which the expenses were incurred is liable, either under this Act or by agreement with the authority, those expenses, together with interest from the date of service of a demand for the expenses, may be recovered by the authority—

*Status: Point in time view as at 05/09/2023.*

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- (a) from the person who is the owner of the premises at the date on which the works are completed, or
  - (b) if he has ceased to be the owner of the premises before the date on which a demand for the expenses is served, either from him or from the person who is the owner at the date on which the demand is served,
- and, as from the date of the completion of the works, the expenses and interest accrued due thereon are, until recovered, a charge on the premises and on all estates and interests in them.
- (2) A local authority, for the purpose of enforcing a charge under subsection (1) above, have all the same powers and remedies under the <sup>M1</sup>Law of Property Act 1925 and otherwise as if they were mortgagees by deed having powers of sale and lease, or accepting surrenders of leases and appointing a receiver.
- (3) The rate of interest chargeable under subsection (1) above is such reasonable rate as the authority may determine.
- (4) A sum that a local authority are entitled to recover under this Act, and with respect to whose recovery provision is not made by any other section of this Act, may be recovered as a simple contract debt in any court of competent jurisdiction.
- (5) Where—
- (a) a person has been given a notice in relation to which section 102 above applies, and
  - (b) the local authority take proceedings against him for the recovery of expenses that they are entitled to recover from him,
- it is not open to him to raise any question that he could have raised on an appeal under that section.

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

**C1** Ss. 107-110 applied (with modifications) (13.7.2004) by [London Local Authorities Act 2004 \(c. i\)](#), ss. 1(1), [s. 10\(3\)-\(5\)](#)

**Marginal Citations**

**M1** 1925 c. 20.

**108 Payment by instalments.**

- (1) A local authority may by order declare any expenses recoverable by them under section 107(1) above to be payable with interest by instalments within a period not exceeding 30 years, until the whole amount is paid.
- (2) An order may be made under subsection (1) above at any time with respect to an unpaid balance of expenses and accrued interest, but the period for repayment shall not in any case extend beyond 30 years from the service of the first demand for the expenses.
- (3) Any such instalments and interest, or any part thereof, may be recovered from the owner or occupier for the time being of the premises in respect of which the expenses were incurred, and if recovered from the occupier, may be deducted by him from the rent of the premises; but an occupier shall not be required to pay at any one time a sum in excess of the amount that—

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- (a) was due from him on account of rent at, or
  - (b) has become due from him on account of rent since,  
the date on which he received a demand from the local authority together with a notice requiring him not to pay rent to his landlord without deducting the sum so demanded.
- (4) The rate of interest chargeable under subsection (1) above is such reasonable rate as the authority may determine.

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

**C1** Ss. 107-110 applied (with modifications) (13.7.2004) by [London Local Authorities Act 2004 \(c. i\)](#), ss. 1(1), [s. 10\(3\)-\(5\)](#)

<sup>F3</sup>109 .....

**Textual Amendments**

**F3** S. 109 repealed (5.11.1993) by [1993 c. 50, s. 1\(1\)](#), [Sch. 1 Pt.1](#) Group 4.

**110 Liability of agent or trustee.**

Where a local authority claim to recover expenses under this Act from a person as being the owner of the premises in respect of which the expenses were incurred, and that person proves that—

- (a) he is receiving the rent of those premises merely as agent or trustee for some other person, and
- (b) he has not, and since the date of the service on him of a demand for payment has not had, in his hands on behalf of that other person sufficient money to discharge the whole demand of the authority,

his liability is limited to the total amount of the money that he has or has had in his hands as aforesaid, but a local authority who are, or would be, debarred by the foregoing provisions of this section from recovering the whole of any such expenses from an agent or trustee may recover the whole or any unpaid balance thereof from the person on whose behalf the agent or trustee receives the rent.

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

**C1** Ss. 107-110 applied (with modifications) (13.7.2004) by [London Local Authorities Act 2004 \(c. i\)](#), ss. 1(1), [s. 10\(3\)-\(5\)](#)

**111 Arbitration.**

In an arbitration under this Act, the reference shall be to a single arbitrator appointed by agreement between the parties, or in default of agreement by the [<sup>F4</sup>appropriate national authority].

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#### Textual Amendments

- F4** Words in s. 111 substituted (28.6.2022 for E., 5.9.2023 for W.) by [Building Safety Act 2022 \(c. 30\)](#), s. 170(4)(b)(c), [Sch. 5 para. 71](#); S.I. 2022/561, reg. 3(f), Sch. para. 34; S.I. 2023/914, reg. 2(b)(xiii), Sch. para. 25

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