



# Neighbourhood Planning Act 2017

## 2017 CHAPTER 20

### PART 2

#### COMPULSORY PURCHASE ETC

### CHAPTER 1

#### TEMPORARY POSSESSION OF LAND

PROSPECTIVE

## 23 Compensation

- (1) This section applies if an acquiring authority takes or is authorised to take temporary possession of land compulsorily by virtue of section 18(2).
- (2) A person (a “claimant”) who has an interest in or a right to occupy the land is entitled to receive compensation from the authority for any loss or injury the claimant sustains as a result.
- (3) A person (a “beneficial claimant”) is entitled to receive compensation from the authority for any loss or injury the beneficial claimant sustains as a result of the authority—
  - (a) interfering with a relevant right or interest annexed to land belonging to the beneficial claimant, or
  - (b) breaching a restriction as to the user of land arising by virtue of a contract where—
    - (i) the beneficial claimant is a party to the contract, or
    - (ii) the restriction benefits land which belongs to the beneficial claimant.
- (4) Where the claimant is carrying on a trade or business on the land, the compensation to which the claimant is entitled includes compensation for any loss which the claimant

*Status: This version of this provision is prospective.*

*Changes to legislation: There are currently no known outstanding effects for the Neighbourhood Planning Act 2017, Section 23. (See end of Document for details)*

sustains by reason of the disturbance of the trade or business consequent upon the claimant having to quit the land for the period of the temporary possession.

- (5) In estimating loss for the purposes of subsection (4) regard is to be had—
- (a) to the period for which the land occupied by the claimant may reasonably have been expected to be available for the purposes of the claimant's trade or business,
  - (b) to the terms on which the land may reasonably have been expected to be available for those purposes, and
  - (c) to the availability of other land suitable for those purposes during the period of temporary possession.

[<sup>F1</sup>(5A) For the purposes of subsections (2) and (3), the person is not entitled to compensation under this section by virtue of being the person entitled to the benefit of an obligation under a conservation covenant.]

- (6) For the purposes of section 9 of the Limitation Act 1980, a cause of action for compensation under this section which, apart from this subsection, would accrue before or during a period of compulsory temporary possession for which notice is given under section 20 is to be treated as accruing on the last day of the period.
- (7) Compensation under this section in relation to a particular head of loss or injury carries interest from the day after the last day on which that loss or injury occurs.
- (8) The interest is to be at the rate prescribed by regulations under section 32 of the Land Compensation Act 1961 in relation to the compulsory acquisition of land.
- (9) Any dispute about compensation payable under this section may be referred to and determined by the Upper Tribunal.
- (10) In this Chapter “relevant right or interest” means any easement, liberty, privilege, right or advantage annexed to land and adversely affecting other land (including any natural right to support).

#### Textual Amendments

- F1** S. 23(5A) inserted (30.9.2022) by [Environment Act 2021 \(c. 30\)](#), s. 147(3), [Sch. 20 para. 10](#) (with s. 144); S.I. 2022/48, reg. 5(d)

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