



# Town and Country Planning Act 1962

1962 CHAPTER 38 10 and 11 Eliz 2

## PART VI

### COMPENSATION FOR PLANNING DECISIONS RESTRICTING NEW DEVELOPMENT

#### *Unexpended balance of established development value*

#### **96 Reduction or extinguishment of balance on acquisition of land under compulsory powers**

(1) Where in the case of—

- (a) a compulsory acquisition to which this section applies, or
- (b) a sale of an interest in land by agreement in circumstances corresponding to such an acquisition,

any of the land in which the interest acquired or sold subsists or subsisted has or had an unexpended balance of established development value immediately before the relevant date (in this section referred to as “the relevant balance”) the following provisions of this section shall have effect for the purpose of determining whether that land or any part thereof has or had an unexpended balance of established development value at any subsequent time.

(2) This section applies—

- (a) to every compulsory acquisition of an interest in land in pursuance of a notice to treat served on or after the thirtieth day of October, nineteen hundred and fifty-eight, whether before or after the commencement of this Act. and
- (b) to every compulsory acquisition of an interest in land, in pursuance of a notice to treat served on or after the first day of January, nineteen hundred and fifty-five, but before the said thirtieth day of October, by an authority possessing compulsory purchase powers, being at that time a government department or local or public authority within the meaning of the Acquisition of Land (Assessment of Compensation) Act, 1919, or a person or body of persons to whom that Act applied as it applied to such a department or authority.

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*Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.*

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- (3) Unless, immediately after the acquisition or sale, there is or was outstanding some interest (other than an excepted interest) in the land to which some person other than the acquiring authority is or was entitled, the original unexpended balance of established development of that land shall be treated as having been extinguished immediately before the subsequent time referred to in subsection (1) of this section.
- (4) If, immediately after the acquisition or sale, there is or was such an outstanding interest (other than an excepted interest) as is mentioned in the last preceding subsection, there shall be deducted from the said original balance an amount equal to any part of the relevant balance which is or was not attributable to any such outstanding interest, and the original unexpended balance of established development value of the land or the part thereof in question shall be treated as having been reduced or extinguished accordingly immediately before that subsequent time.
- (5) For the purposes of this section any question as to the portion of the relevant balance which is or was attributable to an interest in land—
  - (a) in relation to a compulsory acquisition to which this section applies, shall be determined in accordance with the provisions of the Seventh Schedule to this Act, and
  - (b) in relation to a sale of an interest in land by agreement in circumstances corresponding to such an acquisition, shall be determined in accordance with the provisions of that Schedule as those provisions would apply if the sale had been a compulsory acquisition in pursuance of a notice to treat served on the relevant date.
- (6) Any reference in this or the next following section to a sale of an interest in land by agreement in circumstances corresponding to a compulsory acquisition to which this section applies is a reference to a sale thereof—
  - (a) to an authority possessing compulsory purchase powers, in pursuance of a contract made on or after the thirtieth day of October, nineteen hundred and fifty-eight, whether before or after the commencement of this Act, or
  - (b) to such an authority possessing compulsory purchase powers as is mentioned in paragraph (b) of subsection (2) of this section, in pursuance of a contract made on or after the first day of January, nineteen hundred and fifty-five, but before the said thirtieth day of October.
- (7) In this section “the relevant date” means the date of service of the notice to treat or the date of the contract in pursuance of which the interest was sold, as the case may be, and “excepted interest” means the interest of any such person as is mentioned in section one hundred and twenty-one of the Lands Clauses Consolidation Act, 1845 (which relates to persons having no greater interest than as tenant for a year or from year to year).