



# Edinburgh Tram (Line One) Act 2006

## 2006 asp 7

### PART 2

#### LAND

#### *Compensation*

#### **31 Disregard of certain interests and improvements**

- (1) In assessing the compensation (if any) payable on the acquisition from any person of any land under this Act, the tribunal shall not take into account—
- (a) any interest in land; or
  - (b) any enhancement of the value of any interest in land by reason of any building erected, works executed or improvement or alteration made on relevant land, if the tribunal is satisfied that the creation of the interest, the erection of the building, the execution of the works or the making of the improvement or alteration was not reasonably necessary and was undertaken with a view to obtaining compensation or increased compensation.
- (2) In subsection (1) “relevant land” means the land acquired from the person concerned or any other land with which that person is, or was at the time when the building was erected, the works executed or the improvement or alteration made, directly or indirectly concerned.

#### **32 Compensation in respect of depreciation in value of interest in land subject to a standard security**

- (1) Where an interest in land is subject to a standard security—
- (a) any compensation which is payable under this Act in respect of the depreciation in value of that interest shall be calculated as if the interest were not subject to the standard security;
  - (b) a claim for the payment of any such compensation may be made by the heritable creditor under a standard security granted before the happening of the event giving rise to the compensation, but without prejudice to the making of a claim by any other person; and

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*Changes to legislation: There are currently no known outstanding effects for the Edinburgh Tram (Line One) Act 2006, Cross Heading: Compensation. (See end of Document for details)*

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- (c) any such compensation payable in respect of the interest in land subject to the standard security shall be paid to the heritable creditor or where there is more than one heritable creditor, to the first ranking heritable creditor, and shall in either case be treated by the heritable creditor as if it were received as proceeds of sale and applied in the order of priority specified in section 27 (Application of proceeds of sale) of the Conveyancing and Feudal Reform (Scotland) Act 1970 (c. 35).
- (2) In this section “standard security” includes a bond and disposition in security and any other real right in the nature of a security.

### **33 Set-off against betterment**

- (1) In determining the amount of compensation or purchase money payable to any person in respect of an interest in land—
  - (a) acquired under this Act in a case where—
    - (i) the person has an interest in any other land contiguous with or adjacent to the land so acquired; and
    - (ii) the value of that person's interest in any such contiguous or adjacent land is enhanced by reason of the works authorised by this Act or any of them; or
  - (b) injuriously affected by construction works authorised by this Act where the value of that land is also enhanced by reason of the works authorised by this Act or any of them,then the amount of the enhancement in value shall be set off against the compensation or purchase money.
- (2) In this section any reduction in expenditure that would have been required in order to comply with an obligation under any Act with respect to any land is an enhancement in the value of an interest in the land.

**Changes to legislation:**

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