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## SCHEDULES

### SCHEDULE 7

#### ASSESSMENT OF COMPENSATION TO STATUTORY UNDERTAKERS

##### *Measure of compensation*

- 1 (1) Where statutory undertakers are entitled to compensation as mentioned in section 15 or section 26(7) above, the amount of the compensation shall (subject to paragraph 2 below) be an amount calculated in accordance with the following provisions of this paragraph.
- (2) That amount subject to sub-paragraph (3) below, shall be the aggregate of the following amounts, that is—
- (a) the amount of any expenditure reasonably incurred in acquiring land, providing apparatus, erecting buildings or doing work for the purpose of any adjustment of the carrying on of the undertaking rendered necessary by the proceeding giving rise to compensation;
  - (b) whichever of the following is applicable, namely—
    - (i) where such an adjustment is made—

A the estimated amount of any decrease in net receipts from the carrying on of the undertaking pending the adjustment, in so far as the decrease is directly attributable to the proceeding giving rise to compensation, together with

B such amount as appears reasonable compensation for any estimated decrease in net receipts from the carrying on of the undertaking in the period after the adjustment has been completed, in so far as the decrease is directly attributable to the adjustment, or
    - (ii) where no such adjustment is made, such amount as appears reasonable compensation for any estimated decrease in net receipts from the carrying on of the undertaking which is directly attributable to the proceeding giving rise to compensation;
  - (c) where the compensation is under section 26(7), and is in respect of the imposition of a requirement to remove apparatus, the amount of any expenditure reasonably incurred by the statutory undertakers in complying with the requirement, reduced by the value after removal of the apparatus removed.
- (3) Where any such adjustment as is mentioned in sub-paragraph (2)(a) above is made, the aggregate amount mentioned in that sub-paragraph shall be reduced by such amount (if any) as appears to the [F1Upper Tribunal] to be appropriate to offset—
- (a) the estimated value of any property (whether moveable or immoveable) belonging to the statutory undertakers and used for the carrying on of their undertaking which, in consequence of the adjustment, ceases to be so used,

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in so far as the value of the property has not been taken into account under sub-paragraph (2)(c) above, and

- (b) the estimated amount of any increase in net receipts from the carrying on of the undertaking in the period after the adjustment has been completed, in so far as that amount has not been taken into account under sub-paragraph (2) (b) above and is directly attributable to the adjustment,

and by any further amount which appears to the [<sup>F1</sup>Upper Tribunal] to be appropriate, having regard to any increase in the capital value of immoveable property belonging to the statutory undertakers which is directly attributable to the adjustment, allowance being made for any reduction made under paragraph (b) above.

- (4) References in this paragraph to a decrease in net receipts shall be construed as references to the amount by which a balance of receipts over expenditure is decreased, or a balance of expenditure over receipts is increased, or, where a balance of receipts over expenditure is converted into a balance of expenditure over receipts, as references to the aggregate of the two balances; and references to an increase in net receipts shall be construed accordingly.
- (5) In this paragraph “proceeding giving rise to compensation” means the particular action (that is, the acquisition, the extinguishment of a right or the imposition of a requirement) in respect of which compensation falls to be assessed, as distinct from any development or project in connection with which that action may have been taken.

#### Textual Amendments

- F1** Words in [Sch. 7 para. 1\(3\)](#) substituted (1.6.2009) by [The Transfer of Tribunal Functions \(Lands Tribunal and Miscellaneous Amendments\) Order 2009 \(S.I. 2009/1307\)](#), art. 1, [Sch. 1 para. 144\(a\)](#) (with [Sch. 5](#))

#### *Exclusion of paragraph 1 at option of statutory undertakers*

- 2 (1) Where statutory undertakers are entitled to compensation in respect of a compulsory acquisition, the statutory undertakers may by notice in writing under this paragraph elect that the compensation shall be ascertained in accordance with the enactments (other than rule (5) of the rules set out in section 5 of the <sup>M1</sup>Land Compensation Act 1961) which would be applicable apart from paragraph 1 above; and if the undertakers so elect the compensation shall be ascertained accordingly.
- (2) An election under this paragraph may be made either in respect of the whole of the land comprised in the compulsory acquisition in question or in respect of part of that land.
- (3) Any notice under this section shall be given to the acquiring authority before the end of the period of 2 months from the date of service of notice to treat in respect of the interest of the statutory undertakers.

#### Marginal Citations

- M1** 1961 c. 33.

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*Procedure for assessing compensation where paragraph 1 applies*

- 3 (1) Where the amount of any such compensation as is mentioned in paragraph 1(1) above falls to be ascertained in accordance with the provisions of that paragraph 1, the compensation shall, in default of agreement, be assessed by the [<sup>F2</sup>Upper Tribunal], if apart from this paragraph it would not fall to be so assessed.
- (2) For the purposes of any proceedings arising before the [<sup>F3</sup>Upper Tribunal] in respect of compensation falling to be ascertained as mentioned in sub-paragraph (1) above, [<sup>F4</sup>section] 4 of the Land Compensation Act 1961 [<sup>F5</sup>applies as it applies] to proceedings on a question referred to the Tribunal under section 1 of that Act, but with the substitution in [<sup>F6</sup>that section], for references to the acquiring authority, of references to the person from whom the compensation is claimed.

**Textual Amendments**

- F2** Words in Sch. 7 para. 3(1) substituted (1.6.2009) by The Transfer of Tribunal Functions (Lands Tribunal and Miscellaneous Amendments) Order 2009 (S.I. 2009/1307), art. 1, **Sch. 1 para. 144(a)** (with Sch. 5)
- F3** Words in Sch. 7 para. 3(2) substituted (1.6.2009) by The Transfer of Tribunal Functions (Lands Tribunal and Miscellaneous Amendments) Order 2009 (S.I. 2009/1307), art. 1, **Sch. 1 para. 144(a)** (with Sch. 5)
- F4** Word in Sch. 7 para. 3(2) substituted (1.6.2009) by The Transfer of Tribunal Functions (Lands Tribunal and Miscellaneous Amendments) Order 2009 (S.I. 2009/1307), art. 1, **Sch. 1 para. 144(b)(i)** (with Sch. 5)
- F5** Words in Sch. 7 para. 3(2) substituted (1.6.2009) by The Transfer of Tribunal Functions (Lands Tribunal and Miscellaneous Amendments) Order 2009 (S.I. 2009/1307), art. 1, **Sch. 1 para. 144(b)(ii)** (with Sch. 5)
- F6** Words in Sch. 7 para. 3(2) substituted (1.6.2009) by The Transfer of Tribunal Functions (Lands Tribunal and Miscellaneous Amendments) Order 2009 (S.I. 2009/1307), art. 1, **Sch. 1 para. 144(b)(iii)** (with Sch. 5)

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 1A(1) omitted by [2023 c. 55 Sch. 16 para. 7\(3\)](#)
- s. 1A(2) omitted by [2023 c. 55 Sch. 16 para. 7\(3\)](#)
- s. 1A(4) word inserted by [2023 c. 55 Sch. 16 para. 7\(4\)\(b\)](#)
- s. 1A(4) words substituted by [2023 c. 55 Sch. 16 para. 7\(4\)\(a\)](#)
- s. 1A(5)(a) words substituted by [2023 c. 55 Sch. 16 para. 7\(5\)\(a\)](#)
- s. 1ZA1ZB inserted by [2023 c. 55 s. 172\(2\)](#)
- s. 2(1A) inserted by [2023 c. 55 Sch. 16 para. 8](#)
- s. 3(2B)-(2D) inserted by [2023 c. 55 s. 172\(3\)\(c\)](#)
- s. 3(2ZA)(2ZB) inserted by [2023 c. 55 s. 178\(2\)\(b\)](#)
- s. 7A7B inserted by [2023 c. 55 s. 175\(2\)](#)
- s. 60(1A) inserted by [2023 c. 55 s. 179\(2\)\(b\)](#)
- s. 77(3E) inserted by [2023 c. 55 Sch. 17 para. 1\(3\)](#)
- Sch. 3 para. 10A10B and cross-heading inserted by [2023 c. 55 s. 175\(3\)](#)
- Sch. 4 para. 5A inserted by [2023 c. 55 s. 190\(3\)\(a\)](#)
- Sch. 5 para. 5A inserted by [2023 c. 55 s. 190\(3\)\(b\)](#)