



Housing Act 1985

1985 CHAPTER 68

PART XVII

COMPULSORY PURCHASE AND LAND COMPENSATION

Compulsory purchase

580—^{F1}
581.

Textual Amendments

F1 Ss. 579–581 repealed by Local Government and Housing Act 1989 (c. 42, SIF 61), ss. 165(1), 194(4), Sch. 9 Pt. IV para. 73, **Sch. 12 Pt. II**

582 Restriction on recovery of possession after making of compulsory purchase order.

(1) This section applies where a local housing authority have made a compulsory purchase order authorising—

(a) the acquisition of a house in multiple occupation under—
section 17 (provision of housing),

.....^{F2}
section 300 (purchase of condemned house for temporary housing use), or

(b) the acquisition of land under [^{F3}section 93(2) of the Local Government and Housing Act 1989 (land in renewal area)] on which there are premises consisting of or including housing accommodation),

and within the period specified in subsection (2) proceedings for possession of premises forming part of the house or land in question are brought in the county court against a person who was the lessee of the premises when the order was made, or became the lessee after the order was made, but is no longer the lessee.

Changes to legislation: Housing Act 1985, Cross Heading: Compulsory purchase is up to date with all changes known to be in force on or before 23 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (2) The period referred to in subsection (1) is the period beginning with the making of the compulsory purchase order and ending with—
- (a) the [^{F4}final day of the period of three years beginning with] the date on which the order became operative, or
 - (b) any earlier date on which the Secretary of State notifies the authority that he declines to confirm the order or the order is quashed by a court.
- (3) Where this section applies the court may suspend the execution of any order for possession for such period, and subject to such conditions, as it thinks fit.
- (4) The period of suspension ordered by the court shall not extend beyond the end of the period of three years beginning with the date on which the court makes its order or, if earlier, the date on which the compulsory purchase order became operative.
- [^{F5}(6A) If the compulsory purchase order specifies a period longer than three years under section 13D of the Acquisition of Land Act 1981, the references in this section to the period of three years are to be read as references to the period specified in the order.]
- (5) The court may from time to time vary the period of suspension (but not so as to enlarge it beyond the end of the period of three years referred to in subsection (4)), or terminate it, or vary the terms of the order in other respects.
- (6) If at any time—
- (a) the Secretary of State notifies the authority that he declines to confirm the compulsory purchase order, or the order is quashed by a court, or
 - (b) the authority decide, whether before or after the order has been submitted to the Secretary of State for confirmation, not to proceed with it,
- the authority shall notify the person entitled to the benefit of the order for possession and that person shall be entitled, on applying to the court, to obtain an order terminating the period of suspension, but subject to the exercise of the same discretion in fixing the date on which possession is to be given as the court might exercise if it were then making an order for possession for the first time.
- (7) This section does not apply—
- (a) where the person entitled to possession of the premises is the local housing authority;
 - ^{F6}(b)
- [^{F7}(8) In this section “house in multiple occupation” has the meaning given by sections 254 to 259 of the Housing Act 2004 for the purposes of that Act (other than Part 1).]

Textual Amendments

- F2** Words repealed by [Local Government and Housing Act 1989 \(c. 42, SIF 61\)](#), ss. 165(1)(d), 194(4), [Sch. 9 Pt. IV para. 74](#), [Sch. 12 Pt. II](#)
- F3** Words substituted by [Local Government and Housing Act 1989 \(c. 42, SIF 61\)](#), s. 194(1), [Sch. 11 para. 85](#)
- F4** Words in s. 582(2)(a) substituted (31.1.2024) by [Levelling-up and Regeneration Act 2023 \(c. 55\)](#), ss. [185\(4\)\(a\)](#), [255\(7\)](#) (with s. 247); [S.I. 2024/92](#), reg. 2(1) (with reg. 6(1))
- F5** S. 582(6A) inserted (31.1.2024) by [Levelling-up and Regeneration Act 2023 \(c. 55\)](#), ss. [185\(4\)\(b\)](#), [255\(7\)](#) (with s. 247); [S.I. 2024/92](#), reg. 2(1) (with reg. 6(1))
- F6** S. 582(7)(b) omitted (1.7.1991) by virtue of [S.I. 1991/724](#), art. 2(8), [Schedule PartI](#) (with art. 12)

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F7 S. 582(8) substituted (6.4.2006 for E. and 16.6.2006 for W.) by [Housing Act 2004 \(c. 34\), ss. 265\(1\), 270\(4\)\(5\), Sch. 15 para. 29](#); [S.I. 2006/1060, art. 2\(1\)\(d\)](#) (with [Sch.](#)); [S.I. 2006/1535, art. 2\(b\)](#) (with [Sch.](#))

583 Continuance of tenancies of houses compulsorily acquired and to be used for housing purposes.

- (1) Where a local housing authority—
- (a) are authorised to purchase compulsorily a house which is to be used for housing purposes, and
 - (b) have acquired the right to enter on and take possession of the house by virtue of having served a notice under section 11 of the ^{M1}Compulsory Purchase Act 1965,

they may, instead of exercising that right by taking actual possession of the house, proceed by serving notice on any person then in occupation of the house, or part of it, authorising him to continue in occupation upon terms specified in the notice or on such other terms as may be agreed.

- (2) Where the authority proceed in accordance with subsection(1)—
- (a) the like consequences follow with respect to the determination of the rights and liabilities of any person arising out of any interest of his in the house, or a part of it, and
 - (b) the authority may deal with the premises in all respects,
- as if they had taken actual possession on the date of the notice.

- (3) A person who by virtue of this section ceases to be entitled to receive rent in respect of the premises shall be deemed for the purposes of section 20 of the ^{M2}Compulsory Purchase Act 1965 (compensation of tenants, &c.) to have been required to give up possession of the premises.

- (4) In this section “house” includes—
- (a) any part of a building which is occupied as a separate dwelling, and
 - (b) any yard, garden, outhouses and appurtenances belonging to the house or usually enjoyed with it.

Marginal Citations

M1 1965 c. 56.
M2 1965 c. 56.

584 Power to enter and determine short tenancies of land acquired or appropriated.

- (1) This section applies where a local housing authority have agreed to purchase or have determined to appropriate land for the purposes of—
- Part II (provision of housing),
 - Part VIII (area improvement), . . . ^{F8}
 - the provisions of Part IX relating to clearance areas [^{F9}or
 - Part VII of the Local Government and Housing Act 1989 (renewal areas)],
- subject to the interest of the person in possession of the land.

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- (2) If that person's interest is not greater than that of a tenant for a year, or from year to year, the authority may, after giving him not less than 14 days' notice, enter on and take possession of the land, or such part of the land as is specified in the notice, without previous consent.
- (3) The power conferred by subsection (2) may be exercised at any time after the making of the agreement or determination, except where the appropriation requires Ministerial consent in which case the power is not exercisable until that consent has been given.
- (4) The exercise of the local housing authority's power under subsection (2) is subject to the payment to the person in possession of the like compensation, and interest on the compensation awarded, as would be payable if—
 - (a) the authority had been authorised to acquire the land compulsorily, and
 - (b) that person had been required in pursuance of their powers in that behalf to quit possession before the expiry of his term or interest in the land;
 but without any necessity for compliance with section 11 of the Compulsory Purchase Act 1965 (which prohibits entry on the land acquired before the compensation has been ascertained and paid or secured).

Textual Amendments

- F8** Word repealed by [Local Government and Housing Act 1989 \(c. 42, SIF 61\)](#), s. 194(1), [Sch. 11 para. 86](#)
- F9** Words inserted by [Local Government and Housing Act 1989 \(c. 42, SIF 61\)](#), s. 194(1), [Sch. 11 para. 86](#)

^{F10}584A Compensation payable in case of prohibition and demolition orders.

- (1) Subject to subsection (3), where a relevant prohibition order becomes operative in respect of any premises or a demolition order under section 265 is made in respect of any premises, the local housing authority shall pay to every owner of the premises an amount determined in accordance with subsection (2).
- (2) The amount referred to in subsection (1) is the diminution in the compulsory purchase value of the owner's interest in the premises as a result of the coming into operation of the relevant prohibition order or, as the case may be, the making of the demolition order; and that amount—
 - (a) shall be determined as at the date of the coming into operation or making of the order in question; and
 - (b) shall be determined (in default of agreement) as if it were compensation payable in respect of the compulsory purchase of the interest in question and shall be dealt with accordingly.
- (3) In any case where—
 - (a) a relevant prohibition order has been made in respect of any premises, and
 - (b) that order is revoked and a demolition order is made in its place,
 the amount payable to the owner under subsection (1) in connection with the demolition order shall be reduced by the amount (if any) paid to the owner or a previous owner under that subsection in connection with the relevant prohibition order.
- (4) For the purposes of this section—

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“compulsory purchase value”, in relation to an owner’s interest in premises, means the compensation which would be payable in respect of the compulsory purchase of that interest if it fell to be assessed in accordance with the Land Compensation Act 1961;

“premises”, in relation to a demolition order, has the meaning given by section 322;

“premises”, in relation to a prohibition order, means premises which are specified premises in relation to the order within the meaning of Part 1 of the Housing Act 2004;

“relevant prohibition order” means a prohibition order under section 20 or 21 of the Housing Act 2004 which imposes in relation to the whole of any premises a prohibition on their use for all purposes other than any purpose approved by the authority.]

Textual Amendments

F10 S. 548A substituted (6.4.2006 for E. and 16.6.2006 for W.) by [Housing Act 2004 \(c. 34\), ss. 265\(1\), 270\(4\)\(5\), Sch. 15 para. 30](#); [S.I. 2006/1060, art. 2\(1\)\(d\)](#) (with Sch.); [S.I. 2006/1535, art. 2\(b\)](#) (with Sch.)

Modifications etc. (not altering text)

C1 S. 584A applied (6.4.2006 for E. and 16.6.2006 for W.) by [Housing Act 2004 \(c. 34\), ss. 43\(5\)\(f\)\(6\), 270\(4\)\(5\)](#); [S.I. 2006/1060, art. 2\(1\)\(a\)](#) (with Sch.); [S.I. 2006/1535, art. 2\(a\)](#) (with Sch.)

[^{F11}584B] **Repayment on revocation of demolition or prohibition order.**

(1) Where a payment in respect of any premises has been made by a local housing authority under section 584A(1) in connection with a demolition order or relevant prohibition order and—

- (a) the demolition order is revoked under section 274 (revocation of demolition order to permit reconstruction of premises), or
- (b) the relevant prohibition order is revoked under section 25(1) or (2) of the Housing Act 2004,

then, if at that time the person to whom the payment was made has the same interest in the premises as he had at the time the payment was made, he shall on demand repay to the authority the amount of the payment.

(2) In any case where—

- (a) a payment in respect of any premises has been made by a local housing authority under section 584A(1) in connection with a relevant prohibition order, and
- (b) by virtue of section 25(3) of the Housing Act 2004, the order is revoked as respects part of the premises and not varied, and
- (c) the person to whom the payment was made (in this section referred to as “the recipient”) had at the time the payment was made, an owner’s interest in the part of the premises concerned (whether or not he had such an interest in the rest of the premises),

then, if at the time of the revocation of the relevant prohibition order the recipient has the same interest in the premises as he had at the time the payment was made, he shall

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on demand pay to the authority an amount determined in accordance with subsections (4), (5) and (6).

(3) In any case where—

(a) a payment in respect of any premises has been made by a local housing authority under section 584A(1) in connection with a relevant prohibition order, and

(b) by virtue of section 25(4) of the Housing Act 2004, the order is varied, then, if at the time of the variation of the order the recipient has the same interest in the premises as he had at the time the payment was made, he shall on demand pay to the authority an amount determined in accordance with subsections (4), (5) and (6).

(4) The amount referred to in subsection (2) or (3) is whichever is the less of—

(a) the amount by which the value of the interest of the recipient in the premises increases as a result of the revocation or variation of the relevant prohibition order; and

(b) the amount paid to the recipient under section 584A(1) in respect of his interest in the premises;

and the amount referred to in paragraph (a) shall be determined as at the date of the revocation or variation of the relevant prohibition order.

(5) For the purpose of assessing the amount referred to in subsection (4)(a), the rules set out in section 5 of the Land Compensation Act 1961 shall, so far as applicable and subject to any necessary modifications, have effect as they have effect for the purpose of assessing compensation for the compulsory acquisition of an interest in land.

(6) Any dispute as to the amount referred to in subsection (4)(a) shall be referred to and determined by the [^{F12}Upper Tribunal]; and [^{F13}subsections (1)(a), (4) and (5)] of section 4 of the Land Compensation Act 1961 shall, subject to any necessary modifications, apply for the purposes of this section as they apply for the purposes of that Act.

(7) In this section “premises” and “relevant prohibition order” have the same meaning as in section 584A.]

Textual Amendments

F11 S. 584B substituted (6.4.2006 for E. and 16.6.2006 for W.) by [Housing Act 2004 \(c. 34\), ss. 265\(1\), 270\(4\)\(5\), Sch. 15 para. 31](#); S.I. 2006/1060, [art. 2\(1\)\(d\)](#) (with Sch.); S.I. 2006/1535, [art. 2\(b\)](#) (with Sch.)

F12 Words in s. 584B(6) substituted (1.6.2009) by The Transfer of Tribunal Functions (Lands Tribunal and Miscellaneous Amendments) Order (S.I. 2009/1307), art. 5(1)(2), {Sch. 1 para. 175(a)} (with Sch. 5)

F13 Words in s. 584B(6) substituted (1.6.2009) by The Transfer of Tribunal Functions (Lands Tribunal and Miscellaneous Amendments) Order (S.I. 2009/1307), art. 5(1)(2), {Sch. 1 para. 175(b)} (with Sch. 5)

Modifications etc. (not altering text)

C2 S. 584B applied (6.4.2006 for E. and 16.6.2006 for W.) by [Housing Act 2004 \(c. 34\), ss. 43\(5\)\(f\)\(6\), 270\(4\)\(5\)](#); S.I. 2006/1060, [art. 2\(1\)\(d\)](#) (with Sch.); S.I. 2006/1535, [art. 2\(a\)](#) (with Sch.)

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Textual Amendments

F14 Ss.585—595 repealed by [Local Government and Housing Act 1989 \(c. 42, SIF 61\)](#), ss. 165(1)(d), 194(4), Sch. 9 Pt. IV para. 76, [Sch. 12 Pt. II](#)

Changes to legislation:

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Changes and effects yet to be applied to :

- specified provision(s) savings for amendments by 2018 anaw 1, s. 6, Sch. 6 by [S.I. 2019/110 reg. 5](#)

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

- Act savings and transitional provisions for amendments by [S.I. 2022/1166](#) by [S.I. 2022/1172](#) Regulations

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

- s. 81A-81D and cross-heading inserted by [2016 c. 22 Sch. 7 para. 4](#) (This provision is amended by [2021 c. 7, ss. 79\(3\), 90\(6\)](#); [S.I. 2021/1038, reg. 3\(c\)](#))
- s. 81B(1)(b) words inserted by [2018 c. 11 s. 1\(3\)](#)
- s. 81B(2A)-(2C) inserted by [2018 c. 11 s. 1\(2\)](#)
- s. 81B(2C) words substituted by [2021 c. 17 s. 79\(3\)\(a\)\(i\)](#) (This amendment not applied to [legislation.gov.uk](#). The insertion of s. 81B by [2016 c. 22, Sch. 7 para. 4](#) is still prospective)
- s. 81B(2C) words substituted by [2021 c. 17 s. 79\(3\)\(a\)\(ii\)](#) (This amendment not applied to [legislation.gov.uk](#). The insertion of s. 81B by [2016 c. 22, Sch. 7 para. 4](#) is still prospective)
- s. 81B(2D) inserted by [2021 c. 17 s. 79\(3\)\(b\)](#) (This amendment not applied to [legislation.gov.uk](#). The insertion of s. 81B by [2016 c. 22, Sch. 7 para. 4](#) is still prospective)
- s. 82(A1)(A2) inserted by [2016 c. 22 s. 119\(2\)\(a\)](#)
- s. 82A(4A)(4B) inserted by [2016 c. 22 Sch. 7 para. 7\(2\)](#)
- s. 86(1A)(1B) inserted by [2016 c. 22 Sch. 7 para. 10\(3\)](#)
- s. 86(1C) inserted by [2016 c. 22 Sch. 8 para. 2](#)
- s. 86A-86F and cross-headings inserted by [2016 c. 22 Sch. 7 para. 11](#)
- s. 86G s. 86A renumbered as s. 86G by [2016 c. 22 Sch. 8 para. 3\(1\)\(a\)](#)
- s. 86G(8) inserted by [2016 c. 22 Sch. 8 para. 3\(2\)](#)
- s. 88(1)(ba) inserted by [2016 c. 22 Sch. 8 para. 4](#)
- s. 89(2A)-(2D) inserted by [2016 c. 22 Sch. 8 para. 5\(3\)](#)
- s. 97(1A) inserted by [2016 c. 22 Sch. 7 para. 12\(3\)](#)
- s. 99A(1A) inserted by [2016 c. 22 Sch. 7 para. 13\(3\)](#)
- s. 115B115C inserted by [2016 c. 22 Sch. 7 para. 15](#)
- s. 115B115C inserted by [2016 c. 22 Sch. 7 para. 15](#)
- s. 305(1A) inserted by [2023 asc 3 Sch. 13 para. 68\(b\)](#)
- s. 306(1A) inserted by [2023 asc 3 Sch. 13 para. 69\(b\)](#)
- s. 353A inserted by [1996 c. 52 s. 73\(1\)](#) (This amendment not applied to [legislation.gov.uk](#). S. 73 repealed (6.4.2006 for E., 16.6.2006 for W.) by [2004 c. 34, Sch. 16](#); [S.I. 2006/1060, art. 2\(1\)\(e\), Sch.](#); [S.I. 2006/1535, art. 2\(c\), Sch.](#))
- s. 582(6)(aa)-(ac) substituted for s. 582(6)(a) by [2023 c. 55 Sch. 18 para. 4\(2\)\(b\)](#)
- Sch. 1 para. 1ZA and cross-heading inserted by [2016 c. 22 Sch. 7 para. 17\(2\)](#)
- Sch. 5A para. 3(3)(aa) inserted by [2023 c. 55 Sch. 18 para. 4\(3\)\(b\)\(ii\)](#)
- Sch. 5A para. 3(6A) inserted by [2023 c. 55 Sch. 18 para. 4\(3\)\(d\)](#)