



# Product Security and Telecommunications Infrastructure Act 2022

## 2022 CHAPTER 46

### PART 2

#### TELECOMMUNICATIONS INFRASTRUCTURE

##### *Renewal of business tenancies conferring code rights*

PROSPECTIVE

#### **63 Compensation relating to code rights: England and Wales**

After section 34A of the Landlord and Tenant Act 1954 (inserted by section 61) insert—

##### **“34B Compensation for exercise of code rights**

- (1) This section applies where—
  - (a) the court grants a new tenancy by an order under this Part of this Act,
  - (b) the primary purpose of the new tenancy is to confer code rights,
  - (c) the tenancy subsisting at the time the order is made is a subsisting agreement within the meaning of Schedule 2 to the Digital Economy Act 2017, and
  - (d) the primary purpose of that tenancy was to confer code rights.
- (2) The court may order the tenant to pay compensation to the landlord for any damage or loss that has been sustained or will be sustained by the landlord as a result of the exercise of any of the code rights conferred by the new tenancy.
- (3) An order under subsection (2) may be made—

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

**Changes to legislation:** There are currently no known outstanding effects for the Product Security and Telecommunications Infrastructure Act 2022, Section 63. (See end of Document for details)

- (a) at the time the court makes the order granting the new tenancy under this Part of this Act, or
  - (b) at any time afterwards, on the application of the landlord.
- (4) An order under subsection (2) may—
- (a) specify the amount of compensation to be paid by the tenant, or
  - (b) give directions for the determination of any such amount.
- (5) Directions under subsection (4)(b) may provide—
- (a) for the amount of compensation to be agreed between the landlord and the tenant;
  - (b) for any dispute about that amount to be determined by arbitration.
- (6) An order under subsection (2) may provide for the tenant—
- (a) to make a lump sum payment,
  - (b) to make periodical payments,
  - (c) to make a payment or payments on the occurrence of an event or events, or
  - (d) to make a payment or payments in such form or at such other time or times as the court may direct.
- (7) Section 34C makes further provision about compensation in relation to the exercise of code rights conferred by a tenancy under this Part of this Act.
- (8) In this section, references to “code rights” are to be read—
- (a) in relation to the new tenancy, in accordance with paragraph 3 of the electronic communications code set out in Schedule 3A to the Communications Act 2003;
  - (b) in relation to a subsisting agreement within the meaning of Schedule 2 to the Digital Economy Act 2017, in accordance with paragraph 3 of that Schedule.

### **34C Further provision about compensation under section 34B**

- (1) This section applies to the court’s power to order a tenant to pay compensation to a landlord under section 34B (compensation for exercise of code rights).
- (2) Depending on the circumstances, the power of the court to order the payment of compensation for damage or loss includes power to order payment for—
  - (a) expenses (including reasonable legal and valuation expenses, subject to the provisions of any enactment about the powers of the court to award costs),
  - (b) diminution in the value of the land, and
  - (c) costs of reinstatement.
- (3) For the purposes of assessing such compensation for diminution in the value of land, rules (2) to (4) set out in section 5 of the Land Compensation Act 1961 apply with any necessary modifications as they apply for the purposes of assessing compensation for the compulsory purchase of any interest in land.
- (4) Section 10(1) to (3) of the Land Compensation Act 1973 (compensation in respect of mortgages, trusts of land and settlements) applies in relation to such

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compensation for diminution in the value of land as it applies in relation to compensation under Part 1 of that Act.

(5) Where a landlord has a claim for compensation to which this section applies and a claim for compensation under any other provision of this Act, or any provision of the electronic communications code, in respect of the same loss, the compensation payable to the landlord must not exceed the amount of the landlord's loss.

(6) In this section “the electronic communications code” means the code set out in Schedule 3A to the Communications Act 2003.”

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**Commencement Information**

**II** S. 63 not in force at Royal Assent, see [s. 79](#)

**Status:**

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**Changes to legislation:**

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