

Land Compensation Act 1961 c. 33

s. 6A No-scheme principle

Law In Force

Version 1 of 1

22 September 2017 - Present

Subjects

Planning; Real property

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6A No-scheme principle

(1) The no-scheme principle is to be applied when assessing the value of land in order to work out how much compensation should be paid by the acquiring authority for the compulsory acquisition of the land (see [rule 2A in section 5](#)).

(2) The no-scheme principle is the principle that—

(a) any increase in the value of land caused by the scheme for which the authority acquires the land, or by the prospect of that scheme, is to be disregarded, and

(b) any decrease in the value of land caused by that scheme or the prospect of that scheme is to be disregarded.

(3) In applying the no-scheme principle the following rules in particular (the “no-scheme rules”) are to be observed.

(4) Rule 1: it is to be assumed that the scheme was cancelled on the relevant valuation date.

(5) Rule 2: it is to be assumed that no action has been taken (including acquisition of any land, and any development or works) by the acquiring authority wholly or mainly for the purposes of the scheme.

(6) Rule 3: it is to be assumed that there is no prospect of the same scheme, or any other project to meet the same or substantially the same need, being carried out in the exercise of a statutory function or by the exercise of compulsory purchase powers.

(7) Rule 4: it is to be assumed that no other projects would have been carried out in the exercise of a statutory function or by the exercise of compulsory purchase powers if the scheme had been cancelled on the relevant valuation date.

(8) Rule 5: if there was a reduction in the value of land as a result of—

(a) the prospect of the scheme (including before the scheme or the compulsory acquisition in question was authorised), or

(b) the fact that the land was blighted land as a result of the scheme,

that reduction is to be disregarded.

(9) In this section—

“*blighted land*” means land of a description listed in [Schedule 13](#) to the [Town and Country Planning Act 1990](#);

“*relevant valuation date*” has the meaning given by [section 5A](#).

(10) See also [section 14](#) for assumptions to be made in respect of planning permission.

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Notes

- 1 Ss 6A-6E substituted for ss 6-9 by Neighbourhood Planning Act 2017 c. 20 [Pt 2 c.2 s.32](#) (September 22, 2017: commenced by an amendment)
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*Part II PROVISIONS DETERMINING AMOUNT OF
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