1955 No. 38

The Town and Country Planning (Mortgages, Rentcharges, etc.) Regulations, 1955

Made - - - -	6*th January*, 1955
Laid before Parliament	11*th January*, 1955
Coming into Operation	12*th January*, 1955

The Minister of Housing and Local Government in exercise of the powers conferred on him by sections 66 and 68 of the Town and Country Planning Act, 1954(a), and of all other powers enabling him in that behalf, hereby makes the following regulations:—

PART I

GENERAL

Citation and commencement

1. These regulations may be cited as the Town and Country Planning (Mortgages, Rentcharges, etc.) Regulations, 1955, and shall come into operation on the twelfth day of January, 1955.

Interpretation and information

2.—(1) The Interpretation Act, 1889(b), shall apply to the interpretation of these regulations as it applies to the interpretation of an Act of Parliament.

(2) In these regulations, unless the context otherwise requires, the following expressions have the meanings respectively assigned to them, namely:—

"the Act" means the Town and Country Planning Act, 1954;

"the Board" means the Central Land Board;

"the Minister" means the Minister of Housing and Local Government; and

"original applicant" means a person entitled to exercise the right to apply for a payment under Part I of the Act, or to claim compensation under Part II or Part V of the Act, apart from these regulations.

(3) Where, before the 1st day of January, 1955, an interest in land has ceased to be subject to a mortgage created before the 1st day of July, 1948, the expression "mortgagee" in regulation 3 in relation to that interest and in regulation 4 in relation to compensation under Part V of the Act in respect of that interest shall include a person who was a mortgagee of that interest immediately before it ceased to be subject to that mortgage or a person claiming under such a mortgagee.

(4) Where, by these regulations, any mortgagee or rentcharge owner is empowered to give any notice, or claim any compensation, the Board or

(a) 2 & 3 Eliz. 2. c. 72. (b) 52 & 53 Vict. c. 63.

the Minister, as the case may be, may require that mortgagee or rentcharge owner to provide further particulars or evidence in support of his notice or claim (including further information as to any relevant interest in land and as to any other persons interested in such land) and the mortgagee or rentcharge owner shall furnish any particulars or evidence available to him within thirty days of any such requirement.

PART II

MORTGAGES

Payments under Part I of Act

3.—(1) This regulation applies to any payment under any of the provisions of Part I of the Act other than sections 3, 8 and 11 (which provide respectively for payments where development charge has been incurred, payments where the claim holding was purchased, and payments to persons other than the holder of a claim holding) where, at the 1st day of January, 1955:—

(*a*) the right to apply for the payment is exercisable by reference to an interest in land which is subject to a mortgage created before the 1st day of July, 1948, or was, on or after the 6th day of August, 1947, subject to such a mortgage; and

(*b*) the monies secured thereby have not been paid in full or charged exclusively on other land; and

(*c*) the mortgagee is not the holder of the claim holding which relates to that interest.

(2) Where the Board have received from an original applicant an application for any payment to which this regulation applies and it appears to them from information in their possession that a mortgagee would be entitled on compliance with paragraph (3) of this regulation to receive the payment or part of the payment under paragraph (5) hereof, the Board shall give notice to that mortgagee that such an application has been made, and shall send a copy of the notice to any other mortgagee who from the information in their possession might be so entitled if he had priority, and any such notice or copy may be sent to the last known address of any such mortgagee or his agent.

(3) Any mortgagee who has received a notice or copy under the last preceding paragraph and who may be entitled to receive in accordance with paragraph (5) of this regulation any payment or part of any payment to which this regulation applies, shall if he wishes to receive such payment or part notify the Board in writing within thirty days of the date of the notice, declaring that the monies secured by the mortgage have not been paid in full or charged exclusively on other land, stating whether any other mortgagee has priority to him, and giving particulars of the interest to which the mortgage relates or related.

(4) Where an original applicant has failed to apply for any payment to which this regulation applies on or before the 30th day of April, 1955, the right to make application for payment, subject to the allowing of an extended or further extended period by the Board, shall, in so far as it is exercisable by reference to any interest in land which is, or was, subject

to a mortgage, be exercisable by a mortgagee of the said interest, and where such right is so exercised paragraphs (2) and (3) of this regulation shall apply as if that mortgagee were an original applicant as well as a mortgagee and the original applicant shall be entitled, subject as aforesaid, to make application only in respect of his interest in the part of the land (if any) not subject to the mortgage.

(5) Subject to the foregoing provisions of this regulation and to paragraph (4) of regulation 2, where any payment to which this regulation applies falls to be made and the monies secured by the mortgage have not been paid in full or charged exclusively on other land comprised in the mortgage, the principal amount of the payment and the interest thereon shall be paid to the mortgagee who has given notice to the Board under paragraph (3) of this regulation, or, where there is more than one such mortgagee, to the mortgagee having priority, and in either case the mortgagee shall be liable to account therefor as if the payment and the interest thereon had been proceeds of sale of the interest in land subject to the mortgage, or which was so subject, arising under a power of sale exercised by that mortgagee on the date when the payment is made:

Provided that where the rights of the mortgagee extend or extended only to part of the land by reference to which the payment falls to be made, this paragraph shall have effect in relation only to so much of the payment as is attributable to the land subject to the mortgage, or which was so subject.

(6) Notwithstanding anything contained in the last preceding paragraph, where no mortgagee has notified the Board in accordance with paragraph (3) of this regulation that he wishes to receive any payment the Board may make payment to the person otherwise entitled thereto.

Compensation under Parts II and V of Act

4.—(1) This regulation applies to any compensation payable under Part II or Part V of the Act, where, at the time when the right to claim the compensation has become exercisable:—

(*a*) in the case of compensation payable under Part II of the Act, the said right is exercisable by reference to an interest in land which is subject to a mortgage created before the 1st day of July, 1948, or on or after the 1st day of January, 1955;

(*b*) in the case of compensation payable under Part V of the Act, the said right is exercisable by reference to an interest in land which is subject to a mortgage created before the 1st day of July, 1948, or was, at any time on or after the said 1st day of July and before the 1st day of January, 1955, subject to such a mortgage, and the mortgagee of the said interest is not the holder of the claim holding which relates to that interest,

and the monies secured thereby have not been paid in full or charged exclusively on other land:

Provided that this regulation shall have effect, as regards any mortgage created on or after the 1st day of January, 1955, subject to any provision to the contrary in that mortgage.

(2) Where the Minister has received from an original applicant a claim for any compensation to which this regulation applies and it appears to the Minister that a mortgagee would be entitled on compliance with paragraph (3)

of this regulation to receive the compensation or part of the compensation under paragraph (5) hereof the Minister shall give notice to that mortgagee that such a claim has been made, and shall send a copy of the notice to any other mortgagee who might in his opinion be so entitled if he had priority and any such notice or copy may be sent to the last known address of any such mortgagee or his agent.

(3) Any mortgagee who has received a notice or copy under the last preceding paragraph and who may be entitled to receive in accordance with paragraph (5) of this regulation any compensation or part of any compensation to which this regulation applies, shall if he wishes to receive such payment or part notify the Minister in writing within thirty days of the date of the notice, declaring that the monies secured by the mortgage have not been paid in full or charged exclusively on other land, stating whether any other mortgagee has priority to him, and giving particulars of the interest to which the mortgage relates or related.

(4) Where an original applicant has failed to claim any compensation to which this regulation applies within the period prescribed in that behalf by the Act, the right to claim shall, in so far as it is exercisable by reference to any interest in land which is, or was, subject to a mortgage and subject to the allowing of an extended or further extended period by the Minister, be exercisable by a mortgagee of the said interest, and where such right is so exercised paragraphs (2) and (3) of this regulation shall apply as if that mortgagee were an original applicant as well as a mortgagee and the original applicant shall be entitled, subject as aforesaid, to claim compensation only in respect of his interest in the part of the land (if any) not subject to the mortgage.

(5) Subject to the foregoing provisions of this regulation and to paragraph (4) of regulation 2, where any compensation to which this regulation applies falls to be paid and the monies secured by the mortgage have not been paid in full or charged exclusively on other land comprised in the mortgage, the compensation (including, in the case of any compensation under Part V of the Act, the interest thereon) shall be paid to the mortgagee who has given notice to the Minister under paragraph (3) of this regulation, or where there is more than one such mortgagee, to the mortgagee having priority, and in either case the mortgagee shall be liable to account therefor as if such compensation had been proceeds of sale of the interest in land subject to the mortgage, or which was so subject, arising under a power of sale exercised by that mortgagee on the date when the compensation is paid:

Provided that where the rights of the mortgagee extend or extended only to part of the land by reference to which the compensation falls to be paid, this paragraph shall have effect in relation only to so much of the compensation as is attributable to the land subject to the mortgage, or which was so subject.

(6) Notwithstanding anything contained in the last preceding paragraph, where no mortgagee has notified the Minister in accordance with paragraph (3) of this regulation that he wishes to receive any compensation the Minister may pay the compensation to the person otherwise entitled thereto.

Mortgages of claim holdings

5. Where the holder of a claim holding becomes entitled:—

(*a*) to a payment under section 9 of the Act (which provides for certain payments to a person deriving title under the original claim holder)

and he became entitled to the holding in respect of which that payment has become payable as mortgagee; or

(*b*) to compensation under subsection (2) of section 43 of the Act (which provides for the payment of compensation under Part V of the Act to a person entitled to a claim holding as mortgagee),

he shall apply any such payment or compensation (including interest) as if it were proceeds of sale of an interest in land subject to a mortgage arising under a power of sale exercised by that mortgagee on the date when the payment is made or the compensation is paid, as the case may be.

PART III

RENTCHARGES

Interpretation

6. In this Part of these regulations:—

"rentcharge payment" means a sum payable by the Minister out of compensation under Part II or Part V of the Act to which a rentcharge owner is entitled, if he makes a claim in that behalf, under the Schedule to these regulations; and

"rentcharge claim" means a claim for a rentcharge payment.

Rentcharge claims

7.—(1) Where the Minister receives from an original applicant a claim for any compensation payable under Part II or Part V of the Act and that compensation is claimed by reference to an interest in land which is subject to a rentcharge created—

(*a*) in a case of compensation payable under the said Part II, either before the 1st day of July, 1948, or on or after the 1st day of January, 1955;

(*b*) in a case of compensation payable under the said Part V, before the said first day of July,

the Minister shall give to any rentcharge owner appearing to him to be entitled to a rentcharge payment notice of the fact that such a claim has been made, and such notice may be sent to the last known address of any such rentcharge owner or his agent.

(2) Any rentcharge owner who has received a notice under the last preceding paragraph and who is entitled to receive any rentcharge payment shall make a rentcharge claim to the Minister within thirty days of the date of the said notice.

(3) Any rentcharge claim shall be in writing and shall state:—

(*a*) the name and address of any agent whom the rentcharge owner appoints to act for him in connection with the payment of a rentcharge payment;

(*b*) the names and addresses of the owner of the charged land and the rentcharge owner;

(*c*) the amount of the rentcharge;

(*d*) the date when the rentcharge was created;

(*e*) particulars of the charged land, including if necessary such a plan of suitable size as may be requisite to identify the land; and

(*f*) particulars of any other rentcharge affecting the charged land known to the rentcharge owner.

(4) Where an original applicant has failed to claim any compensation payable under Part II or Part V of the Act within the period prescribed in that behalf, the right to claim compensation shall, subject to the allowing of an extended or further extended period by the Minister, be exercisable by any rentcharge owner, in so far as it is necessary to enable a rentcharge payment to be made to him or any other rentcharge owner, as if he were an original applicant, and such rentcharge owner shall with his claim under Part II or Part V of the Act furnish to the Minister a rentcharge claim; and where such right is so exercised, the original applicant shall be entitled to any compensation found to be payable in respect of the charged land in excess of any rentcharge payments, and subject as aforesaid may claim compensation only in respect of his interest in the part of the land (if any) not subject to the rentcharge.

Determination of payments

8. The provisions of the Schedule to these regulations (being provisions substantially corresponding, subject to the necessary modifications, with those of section twenty-five of the War Damage Act, 1943(a), and of Part I of the Fourth Schedule to that Act) shall have effect for the purpose of determining whether a rentcharge payment is payable in respect of a rentcharge claim, and the amount of any such payment.

Disputes

9.—(1) Where a rentcharge claim has been duly made under paragraph (2) or paragraph (4) of regulation 7 in respect of a rentcharge (in this regulation referred to as "the rentcharge in question") the Minister shall, on giving notice of his findings as to the amount of compensation, send a notice (in this regulation referred to as "a rentcharge notice") to the original applicant and the owner of the rentcharge in question.

(2) A rentcharge notice shall specify:—

(*a*) the amount of the rentcharge payment which the Minister has determined to be payable in respect of the rentcharge in question, the annual equivalent of the rentcharge payment and the manner in which such amount and value have been ascertained under the Schedule to these regulations; and

(*b*) the amount of any rentcharge payment which the Minister has determined to be payable in respect of any prior rentcharge or would have so determined on a rentcharge claim by that rentcharge owner:

Provided that where no rentcharge payment is payable, the notice shall specify that fact as if an amount were determined to be payable.

(3) Subject to paragraph (5) of this regulation, if any person to whom a rentcharge notice has been sent wishes to dispute any part of that notice, he may, within thirty days of the issue of the rentcharge notice, give in writing to the Lands Tribunal a notice of dispute specifying the part or parts of the rentcharge notice to which the dispute relates, and thereupon the dispute shall be referred to the Lands Tribunal.

(4) Where a notice of dispute has been given under the last preceding paragraph, the Minister shall notify the other person to whom the rentcharge notice was sent, and, where the dispute relates to or affects a rentcharge payment in respect of a rentcharge other than the rentcharge in question, shall notify the owner of that rentcharge.

(a) 6 & 7 Geo. 6. c. 21.

(5) Where after receipt of a rentcharge notice any person signifies in writing to the Minister his agreement to that notice, he shall not thereafter be entitled to give a notice of dispute under paragraph (3) of this regulation.

(6) The original applicant and the owner of the rentcharge in question and, so far as the dispute relates to or may affect the amount of a rentcharge payment in respect of a rentcharge other than the rentcharge in question, the owner of that rentcharge, shall, on compliance with the rules of the Lands Tribunal for the time being in force, be afforded an opportunity to be heard in any dispute before the Lands Tribunal under this regulation.

(7) The Lands Tribunal shall by their decision either confirm or vary the rentcharge notice relating to the rentcharge in question and shall notify the parties of their decision:

Provided that where on a reference of the Minister's findings as to the compensation payable under Part II or Part V of the Act the amount of such compensation has been varied by the Lands Tribunal, that variation shall be taken into account, but, save as aforesaid, the Tribunal shall not by their decision vary such amount.

(8) Where the Lands Tribunal vary a rentcharge notice under the last preceding paragraph, effect shall be given by the Minister to such variation in making any rentcharge payment out of the said compensation whether or not the rentcharge notice relating to that payment has been varied by the Tribunal.

PART IV

TRUSTS OF A SETTLEMENT

10. Where the right to make application for any payment under any of the provisions of Part I of the Act, or to claim any compensation under Part II or Part V of the Act, becomes exercisable by reference to an interest in land which is, at the time when the said right is exercisable, subject to a settlement, then—

(*a*) the right to make the application or to claim compensation, as the case may be, shall be exercisable by the trustees of the settlement;

(*b*) where an application or claim has been made by reference to such an interest as aforesaid and a payment falls to be made, or compensation falls to be paid, the principal amount of the payment and the interest thereon or the compensation (including in the case of compensation under Part V of the Act the interest thereon) shall be paid to the trustees of the settlement.

Reg. 8.

SCHEDULE

PROVISIONS FOR DETERMINING RENTCHARGE PAYMENTS

Definitions

1. In this Schedule:—

"the relevant decision" means the planning decision in respect of which the right to claim compensation under Part II or Part V of the Act becomes exercisable, and, in a case of compensation under the said Part V, includes an order revoking or modifying planning permission; and

"the material time" means the date of the relevant decision determined, in the case of a planning decision, in accordance with the provisions of subsection (3) of section 69 of the Act.

Entitlement to rentcharge payment

2.—(1) Where the right to claim any compensation under Part II or Part V of the Act is exercisable by reference to an interest in land (being either a fee simple or a tenancy granted for a term of one hundred years or more) and—

(*a*) there was subsisting at the material time, a rentcharge created—

(i) in a case of compensation payable under the said Part II, either before the 1st day of July, 1948, or on or after the 1st day of January, 1955;

(ii) in a case of compensation payable under the said Part V, before the said first day of July,

and created out of part or the whole of the area of land by reference to which the said right is exercisable, or out of that land together with other land; and

(*b*) the amount of the rentcharge so far as attributable to the land subject thereto by reference to which the said right is exercisable (in this Schedule referred to as "the charged land") exceeds the available annual limited value of the charged land ascertained in accordance with paragraph 6 of this Schedule,

then, subject to paragraph 4 of this Schedule, that rentcharge owner shall be entitled, if he makes a rentcharge claim, to receive from the Minister, out of the compensation which falls to be paid under Part II or Part V of the Act a sum equal to the capital equivalent of the excess:

Provided that the said sum shall not exceed the amount of the said compensation.

(2) Where the interest in land by reference to which the right to claim compensation is exercisable was subject at the material time to more than one such rentcharge as is mentioned in the preceding sub-paragraph, then—

(*a*) where more than one rentcharge owner has made a rentcharge claim the rentcharge payment to each of them who has so claimed shall be so paid out of the compensation that each rentcharge owner receives the payment to which he is entitled, or so much thereof as can be satisfied out of the compensation after rentcharge payments have been made to owners of any rentcharge having priority;

(*b*) where a rentcharge owner fails to make a rentcharge claim he shall not be entitled to the payment of any sum under this Schedule but the foregoing provisions of this paragraph shall have effect to enable such rentcharge payments to be made to other rentcharge owners as would have been payable if he had made such a claim.

Extinguishment of part of rentcharge

3. Where a rentcharge owner receives any sum under paragraph 2 of this Schedule, so much of the rentcharge as is equal to the annual equivalent of the said sum shall be extinguished on the date on which the said sum is paid, and as between the persons interested in the charged land on the one hand and any other land subject to the rentcharge on the other hand, the proper share of the persons interested in the charged land of the liability for the residue of the rentcharge in respect of any period after the extinguishment shall be treated as being the rentcharge attributable to the charged land, less the annual equivalent of the sum so paid.

Priority between rentcharges and mortgages

4. Where a rentcharge owner makes a rentcharge claim and the right to receive the compensation in respect of the interest in land out of which (or out of which together with any other interest) the rentcharge was created is

vested by virtue of the provisions of regulation 4 of these regulations in a mortgagee of that interest, then—

(*a*) if the rentcharge had priority to the mortgage, the sum payable to the mortgagee under regulation 4 shall be reduced by the amount required for giving effect to the right conferred upon the rentcharge owner under paragraph 2 of this Schedule; and

(*b*) if the mortgage had priority to the rentcharge, the Minister shall, when making the payment of any compensation to a mortgagee in pursuance of regulation 4, give to that mortgagee notice of—

(i) the name and address of the rentcharge owner who has claimed the rentcharge payment, or, if that owner has appointed any agent to act for him in connection with the payment of such a sum, the name and address of that agent; and

(ii) the amount of the rentcharge payment which the Minister, or the Lands Tribunal if any dispute has been referred to them, has determined to be payable to the rentcharge owner out of compensation,

and the mortgagee to whom the compensation is paid under regulation 4 shall give effect to the right conferred by paragraph 2 of this Schedule on the rentcharge owner out of the sum to which the person who would have been entitled to the compensation apart from regulation 4 will become entitled under the provisions of paragraph (5) of regulation 4 relating to a mortgagee accounting for any compensation as if it were proceeds of a sale.

Provisions as to registered land

5. In cases in which the title to a rentcharge or to land subject thereto is registered under the Land Registration Act, 1925(a), such provision may, without prejudice to the generality of section one hundred and forty-four of that Act, be made by rules under that section as may be expedient in consequence of the provisions of this Schedule, and in particular for securing (by the imposition of conditions as to the exercise of the right thereby conferred or otherwise) that the extinguishment of any part of a rentcharge by virtue of this Schedule shall not take effect without notice thereof being entered in the register.

Computation of rentcharge payment

6. The following provisions of this paragraph shall have effect for the purpose of ascertaining the amounts and values mentioned in the foregoing paragraphs of this Schedule, that is to say—

(*a*) the annual limited value of the charged land shall—

(i) if the charged land is coterminous with or greater in area than the land by reference to which compensation under Part II or Part V of the Act falls to be paid, be taken to be five per cent. of the value of that land after the relevant decision;

(ii) if the charged land is part of the land by reference to which the said compensation falls to be paid, be determined by apportioning to the charged land the appropriate part of the said percentage of the said value,

and, in either case, the charged land shall be treated as if it were free from incumbrances, but subject to any easement or other restriction affecting the land at the material time;

(*b*) the available annual limited value of the charged land shall be taken to be the annual limited value thereof less the amount so far as attributable to any of the charged land, of—

(i) any rentcharge having priority to the rentcharge in question to which the fee simple in the charged land was subject at the material time, or,

(a) 15 & 16 Geo. 5. c. 21.

where that rentcharge was created out of a tenancy of the land, to which either the fee simple therein or that tenancy or any superior tenancy thereof was subject at that time; and

(ii) where that rentcharge was created out of a tenancy of the charged land, the rent reserved by the lease for the year current at the material time:

Provided that in ascertaining the available annual limited value of the charged land no deduction shall be made from the annual limited value thereof in respect of any such amount as aforesaid, in so far as the owner of the rentcharge in question is liable for the payment of that amount as between himself and the owner of the interest out of which the rentcharge was created;

(*c*) the amount attributable to any land of a rentcharge, or of rent reserved by a lease, shall, where at the material time that land was the only land subject to the rentcharge, or out of which the rent issued, be taken to be the whole amount of the rentcharge payable or of the rent reserved for the year current at the said time, and where the charged land was not the only land subject to the rentcharge, shall be determined by apportioning or allocating to that land so much (if any) of the whole amount as may be appropriate having regard—

(i) primarily to any apportionment or allocation of that rentcharge or rent which may have been made otherwise than so as to be binding on the owner of that rentcharge or on the landlord, as the case may be, before the material time; and

(ii) subject as aforesaid, to the proportion borne by the annual value of that land immediately before the relevant decision to the annual value of the other land subject to the rentcharge or rent immediately before that decision;

(*d*) the capital equivalent of the excess of the amount of the rentcharge so far as attributable to the charged land over the available annual limited value of that land shall be taken to be that excess multiplied by the number of years purchase which the rentcharge might have been expected to realise on a sale thereof made in the open market immediately after the relevant decision if at that time—

(i) in a case where the relevant decision was an order revoking or modifying planning permission, that order had not been made; and

(ii) in a case of any other relevant decision, that decision had been a decision to the contrary effect.

Given under the official seal of the Minister of Housing and Local Government this sixth day of January, nineteen hundred and fifty-five.

(L.S.) *Duncan Sandys,*

Minister of Housing and Local Government.

EXPLANATORY NOTE

(This Note is not part of the Regulations, but is intended to indicate their general purport.)

These Regulations make provision for cases where a payment under Part I of the Town and Country Planning Act, 1954, or compensation under Part II or Part V of the Act is payable in respect of an interest in land subject

to a mortgage, a rentcharge or the trusts of a settlement, or (in cases under Part I and Part V) in respect of a claim holding which is subject to a mortgage.

Part II of the Regulations deals with mortgages. Regulation 3 provides that in cases where the right to apply for a payment under Part I of the Act arises in respect of a past transaction involving a disposition of land, the Central Land Board are to notify persons who are or were mortgagees of the land under mortgages created before 1st July, 1948 (the date on which the development value of land became subject to the provisions of Part VI of the Town and Country Planning Act, 1947, which provided for claims in respect of development value to be satisfied out of the fund set up for that purpose). Mortgagees who wish to receive a payment under Part I of the Act of 1954 in respect of the development value of the land are to notify the Central Land Board, and are placed under the same obligations in respect of any payment which they receive as if it were proceeds of sale of the land subject to the mortgage. Provision is made for ensuring that where there is more than one mortgagee priorities are observed; and for enabling a mortgagee to apply for the payment where no application is made by the mortgagor. Regulation 4 contains similar provisions in relation to compensation payable under Parts II and V of the Act, in cases where the value of land is depreciated by a planning decision or order. In relation to depreciation occurring in the future, which is dealt with by Part II of the Act, the provisions extend also to mortgages created after the coming into operation of the Act, subject to any provisions to the contrary in the mortgage. Regulation 5 which deals with mortgages of claim holdings (which were formerly claims established under Part VI of the Act of 1947) provides that where a mortgagee is entitled to a payment under Part I of the Act of 1954 or to compensation under Part V of that Act, he is to account as if the sum paid to him were proceeds of sale of mortgaged land. Thus after any debt due to him has been satisfied, the balance of the sum which he receives will go to the person who would have been entitled to the claim holding but for the mortgage.

Part III of the Regulations deals with rentcharges created before the coming into operation of the Act of 1947, or after 1st January, 1955 (the date of commencement of the Act of 1954). Where the value of the land subject to such a rentcharge is depreciated by a planning decision or order and compensation is payable in respect of the depreciation under Part II or Part V of the Act the rentcharge owner is empowered by Regulation 7 to make a rentcharge claim. He is then to be entitled to a payment determined in accordance with the Schedule to the Regulations, in respect of the depreciation in value of his security. Where a payment is made, there is to be a consequential extinguishment of part of the rentcharge under paragraph 3 of the Schedule. Rights of appeal to the Lands Tribunal are provided by Regulation 9, where disputes arise as to the amount of a rentcharge payment.

Part IV of the Regulations deals with cases where land in respect of which a payment under Part I or compensation under Part II or Part V of the Act becomes due is settled land. In such cases the trustees of the settlement are to be entitled to claim and receive the payment or compensation.