

The Home Loss Payments (Prescribed Amounts) (Wales) Regulations 2020

This note is prepared for Assembly Members following the decisions of the Business Committee on 27 March 2020 and 3 April 2020 regarding the temporary handling of statutory instruments laid before the Assembly.

Summary

These Regulations, which apply in relation to Wales, increase the maximum and minimum amounts of home loss payments payable under the Land Compensation Act 1973 (**the Act**) to those occupying a dwelling who have an owner's interest. These Regulations also increase the amount of home loss payment payable under the Act in any other case. A person who is displaced from a dwelling by compulsory purchase or in other circumstances specified in section 29 of the Act is entitled to a home loss payment.

Section 30(1) of the Act provides that in cases where a person occupying a dwelling on the date of displacement has an owner's interest, the amount of home loss payment is calculated as a percentage of the market value of that interest, subject to a maximum and minimum amount.

Section 30(2) of the Act specifies the amount of the home loss payment due in any other case. Regulation 2(a) increases the maximum amount payable under section 30(1) of the Act from £59,000 to £62,000 and regulation 2(b) increases the minimum amount from £5,900 to £6,200.

Regulation 2(c) increases the home loss payment due under section 30(2) of the Act from £5,900 to £6,200.

The revised amounts apply where displacement occurs on or after 27 April 2020.

Regulation 3 revokes, with savings, the Home Loss Payments (Prescribed Amounts) (Wales) Regulations 2018 (**the 2018 Regulations**).

Procedure

Negative.

Further Points To Note

The following point is noted in respect of these Regulations.

1. Errors in the Explanatory Memorandum

The Regulations prescribe amounts in respect of home loss payments where the date of displacement is on or after 27 April 2020. The previous regulations which these Regulations replace, the 2018 Regulations, will therefore apply for displacements occurring between 3 December 2018 and 26 April 2020.

However, the Explanatory Memorandum to these Regulations, states on the last line of section 4 that the 2018 Regulations will "continue to apply in relation to an owner-occupier or tenant displaced before 4 December 2019". This appears to be erroneous and could confuse a reader, as the Regulations state that the 2018 Regulations will apply to displacements occurring before 27 April 2020 (see Regulation 3(2)).



Further, the last line of the fourth paragraph of section 3 of the Explanatory Memorandum states that the 2018 Regulations “came into force on 27 April 2020”. This is incorrect, as it is these Regulations which will come into force on that date.

Legal Services

National Assembly for Wales

7 April 2020



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