

EXPLANATORY MEMORANDUM TO
THE HOME LOSS PAYMENTS (PRESCRIBED AMOUNTS) (ENGLAND)
REGULATIONS 2008

2008 No. 1598

1. This explanatory memorandum has been prepared by the Department for Communities and Local Government and is laid before Parliament by Command of Her Majesty.

2. Description

These Regulations increase the amount of home loss payments payable, under section 30 of the Land Compensation Act 1973 (“the Act”), when a person is displaced from a dwelling by compulsory purchase or other circumstances specified in section 29 of the Act.

3. Matters of special interest to the Joint Committee on Statutory Instruments

None

4. Legislative Background

4.1 Section 30(5) of the 1973 Act provides that the Secretary of State can by regulations prescribe a different maximum or minimum amount and flat rate payable as a home loss payment.

4.2 The current home loss payment thresholds are set out in the Home Loss Payments (Prescribed Amounts) (England) Regulations 2007 (SI 2007 No 1750), which came into force on 1st September 2007.

4.3 These Regulations revoke the 2007 Regulations and set out increased maximum and minimum home loss payment thresholds and an increased flat rate payment to reflect changes in the Department of Communities and Local Government’s mix-adjusted house price index.

5. Territorial Extent and Application

This instrument applies to England.

6. European Convention on Human Rights

As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

7.1 Home loss payments are paid at a rate of 10% of the market value to owner-occupiers who are displaced from their homes as a result of compulsory purchase or certain housing orders. This is to compensate for the distress and inconvenience of

having to move home at a time not of their choosing. These are subject to maximum and minimum payments (in section 30(1) of the Act). Tenants receive a flat rate equal to the minimum payment to owner-occupiers (in section 30(2) of the Act).

7.2 The increase in the maximum and minimum amounts payable to owner-occupiers and the flat rate for other occupiers reflects an increase in line with changes to the house price index since the review which preceded S.I. 2007/1750, which increased the amounts with effect from 1st September 2007. It is the Department's policy to review the thresholds annually.

8. Impact

8.1 An Impact Assessment has not been prepared for this instrument as it has no impact on business, charities or voluntary bodies.

8.2 There is no adverse impact on the public sector as the Regulations put into effect an annual up-rating in line with house price inflation.

9. Contact

Cyril Kearney at the Department for Communities and Local Government (Tel: 020 7944 3915) or e-mail: cyril.kearney@communities.gsi.gov.uk can answer any queries regarding the instrument.