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WELSH STATUTORY INSTRUMENTS

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**2017 No. 26**

**The Rentcharges (Redemption Price) (Wales) Regulations 2017**

**Title and commencement**

1. The title of these Regulations is the Rentcharges (Redemption Price) (Wales) Regulations 2017 and they come into force on 10 February 2017.

**Redemption Price**

2.—(1) For the purposes of—

- (a) section 9 of the Rentcharges Act 1977<sup>(1)</sup>, and
- (b) section 9 of the Rentcharges Act 1977 as applied by section 20(1) of the Landlord and Tenant Act 1927<sup>(2)</sup>,

the redemption price in relation to land in Wales is calculated by applying the following formula—

$$P = \pounds \left( \frac{R}{Y} \right) - \left( \frac{R}{Y(1+Y)^n} \right)$$

(2) For the purposes of the formula in paragraph (1)—

P = the redemption price;

R = the annual amount of the Rentcharge (or, as the case may be, the rent to which section 20(1) of the Landlord and Tenant Act 1927 applies) to be redeemed (in pounds sterling);

Y = the maturity rate, expressed as a decimal fraction, of the “over 30 not over 30.5 year” National Loans Fund interest rate; and

n = the period, expressed in years (rounding up any part of a year to a whole year), for which the rentcharge (or, as the case may be, the rent to which section 20(1) of the Landlord and Tenant Act 1927 applies) would remain payable if it were not redeemed.

(3) In paragraph (2), the maturity rate is the published interest rate at the close of business on the last trading day of the week before the week in which instructions for redemption are served under section 9(4) of the Rentcharges Act 1977.

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<sup>(1)</sup> Section 9(4)(a) was amended by the Housing and Planning Act 2016, section 137(1), (2).

<sup>(2)</sup> 1927 c. 36; section 20 was amended by the Rentcharges Act 1977, section 17(1) and Schedule 1, paragraph 3; the Housing Act 1980 (c. 51), section 143; and S.I. 1955/554, 1965/143, 1967/156 and 1970/1681. By virtue of article 2(a) of, and Schedule 1 to, the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I. 1999/672) the functions of the Secretary of State under section 20 of the Landlord and Tenant Act 1927 were transferred to the National Assembly for Wales so far as exercisable in relation to Wales and subsequently transferred to the Welsh Ministers by virtue of section 162 of, and paragraph 30 of Schedule 11 to the Government of Wales Act 2006.

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**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

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16 January 2017

*Carl Sargeant*  
Cabinet Secretary for Communities and  
Children, one of the Welsh Ministers