



Ein cyf/Our ref MA/JB/0992/26

Mike Hedges MS
Chair
The Legislation, Justice and Constitution Committee
Senedd Cymru

26 March 2026

Dear Mike,

Review of Home Loss Payments: Land Compensation Act 1973 (“the 1973 Act”)

The Home Loss payments were introduced by the Land Compensation Act 1973. Regulations made under the 1973 Act increase the maximum and minimum amounts of home loss payments payable to those occupying, or treated as occupying, a dwelling whether as owner-occupiers or other qualifying occupants who are displaced in circumstances set out in the Act. Since 2003 the payments have been reviewed regularly to keep them in line with house price inflation.

The current payments in Wales are prescribed in The Home Loss Payments (Prescribed Amounts) (Wales) Regulations 2025. The current maximum home loss payment amount is £82,000. The current minimum home loss payment, and the flat-rate payable to tenants, is £8,000.

Payments made rarely, if ever, approach the maximum amount payable. Welsh Government has paid £57,000 in total in Home Loss Payments since 2020. In order for a home owner to receive the maximum amount set out in current regulations, their property would need to have a market value in excess of £820,000.

Given this, I have decided to reduce the frequency of when the regulations are made, so that going forward the regulations will be reviewed and laid only when the HPI increases by 10 percentage points since the last set of regulations were made.

Whilst a consultation was undertaken in 2003 on a joint approach with England on the annual review and uprating (where required) of the amounts payable by revoking and making new regulations, as house prices have started to diverge and with competing priorities Wales has not made new regulations on a routine basis. It is on this basis that we consider a consultation is not required on this new approach, as the approach is considered

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

reasonable and proportionate given the resources required to regularly lay a new set of Home Loss regulations.

Should there be unintended consequences of this change I will be happy to review the approach and if required bring forward regulations at an earlier stage than proposed above.

Yours sincerely

A handwritten signature in black ink that reads "Jayne Bryant". The signature is written in a cursive, flowing style.

Jayne Bryant AS/MS

Ysgrifennydd y Cabinet dros Lywodraeth Leol a Thai
Cabinet Secretary for Housing and Local Government

