



CHAPTER 85.

An Act to amend the Land Settlement (Facilities) Act, 1919, by substituting other provisions for those contained in section twenty-seven of the said Act. [22nd December 1925.] A.D. 1925.

BE it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1. The following provisions shall be substituted for section twenty-seven of the Land Settlement (Facilities) Act, 1919 (which provides for the recoupment of certain losses incurred by county councils in connection with the acquisition of land under the Small Holdings and Allotments Act, 1908):—

Provisions to be substituted for s. 27 of 9 & 10 Geo. 5. c. 59. 8 Edw. 7. c. 36.

“(1) For the purpose of this section there shall be ascertained—

“(a) the amount of the charges which will fall to be met in the half-year beginning on the appointed day and every subsequent half-year by any council in respect of expenditure properly incurred by them before the appointed day in respect of the acquisition, adaptation or improvement of, or otherwise in relation to, their small holdings estate (in this section referred to as “small holdings charges”); and

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“(b) the net income which will accrue in the year beginning on the appointed day and in every subsequent year to the council from the council’s small holdings estate.

“(2) The amount of a small holdings charge falling to be met in any half-year shall, for the purpose of this section, be taken to be—

“(a) in the case of a tithe redemption annuity or any perpetual or terminable rentcharge created on the acquisition of land, one-half of the amount payable in the year in respect thereof;

“(b) in the case of an annuity issued under section nine of this Act, one-half of the amount of the annuity, together with one-half of the amount which the council is directed to set apart in the year to form a sinking fund for the discharge of the annuity;

“(c) in the case of a mortgage repayable by payments of principal and interest combined, or by equal yearly or half-yearly instalments of principal together with interest on the balance of the principal sum for the time being outstanding, one-half of the aggregate of the amounts so payable in the year;

“(d) in the case of any other mortgage or charge, such amount as is agreed between the Minister and the council concerned to be payable in that half-year as interest thereon, together with one-half of the amount which the council is required to set apart in the year to form a sinking fund for the discharge of the principal sum.

“(3) For the purpose of ascertaining the net annual income of the council’s small holdings estate for any year, the net annual income of land forming part of that estate shall be taken to be—

“(a) in the case of land other than leasehold land, the amount representing the estimated average yearly rent obtainable by the council

for the land after deducting therefrom the estimated cost of repairs, insurance, expenses of management and other outgoings reasonably necessary to secure that rent, but without deducting any small holdings charges or income tax; A.D. 1925.

“(b) in the case of leasehold land, the difference between the estimated average yearly rent obtainable by the council for the land and the estimated annual expenditure of the council on account of rent and other necessary outgoings in connection with the land, including any amounts required to meet the estimated net liability of the council to the landlord or to the tenants of the council on the expiration of the current tenancy:

“ Provided that—

“(i) if the amount of the estimated average yearly rent is less than the amount of the estimated annual expenditure, the deficiency shall be brought into account; and

“(ii) no rent shall be deemed to be obtainable by the council in respect of the land after the expiration of the current tenancy of the council.

“(4) Where before the appointed day a council has properly incurred any expenditure in respect of the acquisition, adaptation or improvement of, or otherwise in relation to, their small holdings estate, but has not obtained a loan under the principal Act in respect of that expenditure, or where a council after the appointed day has incurred any such expenditure in respect of which the approval of the Minister was given before the appointed day, there shall be ascertained, on the basis of the foregoing provisions of this section, the amount representing the half-yearly charges which would have become payable by the council if the amount of the expenditure had been raised by loan, and the amount so ascertained shall, for the purpose of this section, be treated as if it were a small holdings charge.

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“(5) The Minister shall, on such date as may be agreed between him and the council, pay to every council in respect of each half-year a sum equal to the amount, if any, by which the aggregate amount of the small holdings charges payable by the council during that half-year exceeds one-half of the net annual income of the council’s small holdings estate for the year ascertained as aforesaid :

“Provided that, as regards the payments to be made in respect of the financial year ending on the thirty-first day of March, nineteen hundred and twenty-seven, and in respect of each of the two next following years, the date to be agreed as aforesaid shall be a date not earlier than the first day of the financial year following the year in respect of which the payment is to be made.

“Any sum paid to a council under this subsection may be applied by the council in defraying any expenditure in connection with the council’s small holdings estate.

“(6) There shall also be ascertained the amount of the loss which a council will necessarily or without any unreasonable default on its part incur in respect of—

“(a) any advance made or guaranteed before the appointed day by the council under section eighteen of this Act; and

“(b) any arrears of rent due or accruing to the council on the appointed day from any person who is or was a tenant of land acquired by the council under the principal Act and of any other liabilities of such a tenant to the council remaining undischarged on the appointed day,

and the aggregate of the amounts so ascertained shall be paid to the council by the Minister in four equal annual instalments, the first of which shall be made on the appointed day or as soon thereafter as the loss is ascertained, and the remainder of which shall be made on each succeeding first day of April.

“ (7) If any question arises between the Minister and a council with respect to any matter to be ascertained under this section, that question shall be determined by arbitration in accordance with the provisions of the Second Schedule to the Agricultural Holdings Act, 1923, except that—

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“ (a) in default of agreement, the arbitrator shall be appointed by the Reference Committee for England and Wales constituted under section one of the Acquisition of Land (Assessment of Compensation) Act, 1919, and may be a person who is not a member of the panel formed under the said Second Schedule, and for the purposes of this provision the Reference Committee shall be deemed to include the President of the Institute of Chartered Accountants in England and Wales as well as the persons mentioned in the said section one; and

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Geo. 5. c. 57.

“ (b) the Minister and the council shall each bear their own costs and pay the costs of the award in equal shares.

“ (8) For the purposes of this section unless the context otherwise requires—

“ ‘The council’s small holdings estate’ means the land acquired by a council under the principal Act and vested in them on the appointed day, other than any land acquired by them when acting in default of a district or parish council or any small holdings of less than one acre;

“ ‘Rent’ means, in the case of land capable of being let for the purposes of small holdings or allotments, the amount which would be obtainable as rent if the land were let for those purposes;

“ ‘Council’ means the council of a county;

“ ‘Year’ means the year beginning on the first day of April, and ‘half-year’ means the period beginning on the first day of April or the first day of October in any year;

“ ‘Current’ in relation to a tenancy means current until the first day after the appointed

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day on which the tenancy might be terminated by the landlord and no longer;

“ ‘The appointed day’ means the first day of April, nineteen hundred and twenty-six;

“ Expenditure shall not be treated as having been properly incurred if, being expenditure for which the approval of the Minister was by law required, such approval was not given.

“(9) The provisions of this section shall apply to the council of a county borough in respect of land acquired by the council for the purposes of small holdings in like manner as it applies to the council of a county.

“(10) Amounts required to be ascertained for the purposes of this section may be so ascertained before the appointed day, and if not so ascertained shall be so ascertained as soon as possible thereafter.

“(11) When any amount has once been ascertained in accordance with the provisions of this section, it shall not thereafter be subject to revision or variation.”

Short title.

2. This Act may be cited as the Land Settlement (Facilities) Amendment Act, 1925.

Printed by Swift (Printing & Duplicating), Ltd., for
SIR PERCY FAULKNER, K.B.E., C.B.

Controller of Her Majesty's Stationery Office and Queen's Printer of Acts of Parliament
LONDON : PUBLISHED BY HER MAJESTY'S STATIONERY OFFICE

Price 10d. net

PRINTED IN ENGLAND