

SCHEDULES

SCHEDULE 1

REGISTERED SOCIAL LANDLORDS: REGULATION

PART I

CONTROL OF PAYMENTS TO MEMBERS, &C

Payments by way of gift, dividend or bonus

- 1 (1) A registered social landlord shall not make a gift or pay a sum by way of dividend or bonus to—
- (a) a person who is or has been a member of the body,
 - (b) a person who is a member of the family of a person within paragraph (a), or
 - (c) a company of which a person within paragraph (a) or (b) is a director,
- except as permitted by this paragraph.
- (2) The following are permitted—
- (a) the payment of a sum which, in accordance with the constitution or rules of the body, is paid as interest on capital lent to the body or subscribed by way of shares in the body;
 - (b) the payment by a fully mutual housing association to a person who has ceased to be a member of the association of a sum which is due to him either under his tenancy agreement with the association or under the terms of the agreement under which he became a member of the association.
- (3) Where an industrial and provident society or a company registered under the Companies Act 1985 pays a sum or makes a gift in contravention of this paragraph, the society or company may recover the sum or the value of the gift, and proceedings for its recovery shall be taken if the Corporation so directs.

Payments and benefits to officers and employees, &c.

- 2 (1) A registered social landlord which is an industrial and provident society or a company registered under the Companies Act 1985 shall not make a payment or grant a benefit to—
- (a) an officer or employee of the society or company,
 - (b) a person who at any time within the preceding twelve months has been a person within paragraph (a),
 - (c) a close relative of a person within paragraph (a) or (b), or
 - (d) a business trading for profit of which a person falling within paragraph (a), (b) or (c) is a principal proprietor or in the management of which such a person is directly concerned,

Status: This is the original version (as it was originally enacted).

except as permitted by this paragraph.

- (2) The following are permitted—
- (a) payments made or benefits granted to an officer or employee of the society or company under his contract of employment with the society or company;
 - (b) the payment of remuneration or expenses to an officer of the society or company who does not have a contract of employment with the society or company;
 - (c) any such payment as may be made in accordance with paragraph 1(2) (interest payable in accordance with the rules and certain sums payable by a fully mutual housing association to a person who has ceased to be a member);
 - (d) the grant or renewal of a tenancy by a co-operative housing association;
 - (e) where a tenancy of a house has been granted to, or to a close relative of, a person who later became an officer or employee, the grant to that tenant of a new tenancy whether of the same or another house;
 - (f) payments made or benefits granted in accordance with any determination made by the Corporation.
- (3) A determination for the purposes of sub-paragraph (2)(f) may specify the class or classes of case in which a payment may be made or benefit granted and specify the maximum amount.
- (4) Where a society or company pays a sum or grants a benefit in contravention of this paragraph, the society or company may recover the sum or value of the benefit; and proceedings for its recovery shall be taken if the Corporation so directs.

Maximum amounts payable by way of fees, expenses, &c.

- 3 (1) The Corporation may from time to time specify the maximum amounts which may be paid by a registered social landlord which is an industrial and provident society or a company registered under the Companies Act 1985—
- (a) by way of fees or other remuneration, or by way of expenses, to a member of the society or company who is not an officer or employee of the society or company, or
 - (b) by way of remuneration or expenses to an officer of the society or company who does not have a contract of employment with the society or company.
- (2) Different amounts may be so specified for different purposes.
- (3) Where a society or company makes a payment in excess of the maximum permitted under this paragraph, the society or company may recover the excess, and proceedings for its recovery shall be taken if the Corporation so directs.