

# Housing (Scotland) Act 1987

### **1987 CHAPTER 26**

#### **PART XII**

#### HOUSE LOANS AND OTHER FINANCIAL ASSISTANCE

House loans: general

## Power of local authority to make advances for the purpose of increasing housing accommodation.

- (1) A local authority may advance money to any person for the purpose of—
  - (a) acquiring a house;
  - (b) constructing a house;
  - (c) converting another building into a house or acquiring another building and converting it into a house; or
  - (d) altering, enlarging, repairing or improving a house; or
  - (e) subject to subsection (4), facilitating the repayment by means of the advance of the amount outstanding on a previous loan made for any of the purposes specified in paragraphs (a) to (d).
- (2) The authority may make advances whether or not the houses or buildings are in the authority's area.
- (3) In determining whether to advance money under subsection (1), the local authority shall have regard to any advice which may be given from time to time by the Secretary of State.
- (4) An advance shall not be made for the purpose specified in paragraph (e) of subsection (1) unless the local authority satisfy themselves that the primary effect of the advance will be to meet the housing needs of the applicant by enabling him either to retain an interest in the house concerned or to carry out such works in relation to that house as would be eligible for an advance by virtue of paragraph (c) or (d) of that subsection.

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- (5) An advance under this section may be made in addition to assistance given by the local authority in respect of the same house under any other Act or any other provision of this Act.
- (6) If it appears to a local authority that the principal effect of the making of an advance under subsection (1) in respect of any premises would be to meet the housing needs of the applicant, they may make the advance notwithstanding that it is intended that some part of the premises will be used or, as the case may be, will continue to be used, otherwise than as a house, and accordingly where, by virtue of this subsection, a local authority propose to make an advance in respect of any premises, the premises shall be treated for the purposes of subsections (1) to (4) as, or as a building to be converted into, a house.
- (7) In this section any reference to a house includes a reference to any part share of it.
- (8) Schedule 17 shall have effect in relation to the terms of an advance under this section.
- [F1(9) This section applies to the deferred financial commitment as it applies to an advance and references in it and in section 215 to the making of advances shall be construed as references to such functions of a local authority under the rent to loan scheme as relate to the creation of the deferred financial commitment, but Schedule 17 shall not so apply.]

### **Textual Amendments**

F1 S. 214(9) inserted (27.9.1993) by 1993 c. 28, s. 143(6); S.I. 1993/2163, art. 2, Sch. 1.

### 215 Requirements as to meeting tolerable standard.

- (1) Before advancing money under section 214 for the purpose of acquiring a house, the local authority shall satisfy themselves that the house to be acquired will meet the tolerable standard.
- (2) Before advancing money under this section for any of the purposes specified in paragraphs (b) to (d) of subsection (1), the authority shall satisfy themselves that the house to be constructed, altered, enlarged, repaired, improved or into which the building is to be converted, as the case may be, will, when the construction, alteration, enlargement, repair, improvement or conversion has been completed, meet that standard.

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