

1987 No. 162

HOUSING

Housing (Right to Equity-Sharing Lease) (Rent and Service Charge Adjustment) Order (Northern Ireland) 1987

Made 30th March 1987

Coming into operation 1st June 1987

The Department of the Environment, in exercise of the powers conferred on it by paragraph 5(2) and (5) of Schedule 6 to the Housing (Northern Ireland) Order 1986(a) and of every other power enabling it in that behalf, hereby makes the following order:—

Citation and commencement

1. This order may be cited as the Housing (Right to Equity-Sharing Lease) (Rent and Service Charge Adjustment) Order (Northern Ireland) 1987 and shall come into operation on 1st June 1987.

Provision for adjustment in equity-sharing lease

2. An equity-sharing lease granted in pursuance of Part III of the Housing (Northern Ireland) Order 1986 shall provide for an adjustment to be made in accordance with the following provisions for any period when the tenant's total share is less than 100 per cent.

Adjustment for houses

3. If the dwelling-house is a house the rent payable under the lease as determined under paragraph 5(1) of Schedule 6 to the Housing (Northern Ireland) Order 1986 shall be adjusted by reducing it by 25 per cent.

Adjustment for flats

4. If the dwelling-house is a flat any amount payable by the tenant under the lease which is payable, directly or indirectly for repairs, maintenance or insurance shall be adjusted by reducing it by the amount determined by the formula—

$$A = \frac{M(100-S)}{100}$$

where—

A is the amount of the reduction;

M is the amount which under the lease would otherwise be payable by the tenant, directly or indirectly, for repairs, maintenance or insurance; and

S is the tenant's total share expressed as a percentage.

(a) S.I. 1986/1301 (N.I. 13)

Sealed with the Official Seal of the Department of the Environment this
30th day of March 1987.

(L.S.)

R. E. Aiken

Assistant Secretary

EXPLANATORY NOTE

(This note is not part of the Order.)

This order requires an adjustment to be made in certain circumstances to the rent payable, or the service charge for repairs, maintenance or insurance made, under an equity-sharing lease granted under Part III of the Housing (Northern Ireland) Order 1986. The adjustment is required in relation to periods when the tenant's stake in the dwelling is less than 100 per cent (Article 2).

For houses the adjustment is made by reducing the rent by 25 per cent (Article 3).

For flats the adjustment is made to any service charge for repairs, maintenance or insurance in accordance with the formula in Article 4.

The adjustment in each case reflects the differing responsibilities for repairs, maintenance and insurance of a tenant under an equity-sharing lease and a secure tenant of the Northern Ireland Housing Executive.