



Housing (Financial Provisions) (Scotland) Act 1972

1972 CHAPTER 46

PART VI

HOUSING ASSOCIATIONS

Subsidies

51 Introduction of new subsidies for housing associations

- (1) The following subsidies shall be payable to housing associations in the circumstances, and subject to the conditions, set out in this Part of this Act, namely—
 - (a) the basic residual subsidy ;
 - (b) the special residual subsidy ;
 - (c) the new building subsidy ;
 - (d) the improvement subsidy.
- (2) None of the subsidies may be paid for the year 1971-72, or for an earlier year.
- (3) The subsidies shall be paid by the Secretary of State out of money provided by Parliament.
- (4) Section 13 of this Act shall apply in relation to the payment of subsidies under this Part of this Act as it applies in relation to the payment of subsidies under Part I of this Act to a housing authority.

52 The basic residual subsidy

- (1) This section has effect as to the circumstances in which basic residual subsidy is payable to housing associations and also, subject to section 54 of this Act, as to the amount of basic residual subsidy so payable.

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

- (2) A housing association shall be entitled to basic residual subsidy for the year 1972-73 if the association's subsidies for the year 1971-72 exceed the withdrawal factor, and the amount of the basic residual subsidy for that year shall be equal to the excess.
- (3) A housing association which is entitled to basic residual subsidy for the year 1972-73 shall also be entitled to the subsidy for any subsequent year for which the amount of basic residual subsidy payable to the association for the immediately preceding year exceeds the withdrawal factor, and the amount of the basic residual subsidy shall for each such year be equal to the amount obtained by deducting the withdrawal factor from the amount of the basic residual subsidy payable to the association for the immediately preceding year.
- (4) In this section the " association's subsidies for the year 1971-72 " means the aggregate of such sums received or to be received by the association as the Secretary of State determines and notifies the association as representing payments made or to be made to the association for the year 1971-72 under or by reference to any of the enactments described in Parts V and VI of Schedule 1 to this Act.
- (5) The withdrawal factor for the purposes of this section shall be determined, in relation to each housing association, by the Secretary of State.
- (6) For the purposes of subsection (5) above, the Secretary of State shall determine the number of houses as at the end of the year 1971-72 in respect of which the association's subsidies for the year 1971-72 are payable.
- (7) For the year 1972-73 the withdrawal factor is the sum produced by multiplying £5 by the number of houses determined under subsection (6) above.
- (8) For each year subsequent to the year 1972-73, the withdrawal factor is the sum produced by multiplying £20 by the number of houses determined under subsection (6) above.

53 The special residual subsidy

- (1) This section has effect as to the circumstances in which special residual subsidy is payable to a housing association and also, subject to section 54 of this Act, as to the amount of special residual subsidy so payable.
- (2) A housing association shall be entitled to special residual subsidy for relevant works approved for subsidy before the coming into force of this Act and completed during the year 1972-73, 1973-74 or 1974-75.
- (3) In this section—
 - " approved for subsidy " means approved by the Secretary of State for the purposes of sections 1 to 12 of the Act of 1968;
 - " relevant works " means the erection of a house.
- (4) If an association complete any relevant works during any of the three years 1972-73, 1973-74 and 1974-75, being works approved for subsidy before the coming into force of this Act, they shall be entitled for that year to special residual subsidy of such an amount as in the opinion of the Secretary of State represents the financial assistance which would have been given for that year in respect of those works under sections 1 to 12 of the Act of 1968, if those sections had been in force throughout the year.

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

- (5) For the purpose of calculating the amount of special residual subsidy for the year 1972-73, 1973-74 or 1974-75, the Secretary of State may adopt, after consultation with such bodies representative of housing associations as appear to him to be appropriate, a rate of interest for that year which is to be treated as if it had been specified for that year by an order made under section 2(2) of the Act of 1968 (which relates to the calculation of aggregate cost subsidies).
- (6) An association entitled under subsection (4) above to an amount of special residual subsidy for the year 1972-73 shall, in addition, be entitled—
 - (a) for the year 1973-74 to the said amount of subsidy less the reduction factor for houses completed during the year 1972-73, and
 - (b) for the year 1974-75 to the amount of subsidy payable to the association under paragraph (a) above less the reduction factor for houses completed during the year 1972-73.
- (7) An association entitled under subsection (4) above to an amount of special residual subsidy for the year 1973-74 shall, in addition, be entitled for the year 1974-75 to the said amount of subsidy less the reduction factor for houses completed during the year 1973-74.
- (8) For the year 1975-76 and subsequent years the amount of an association's special residual subsidy shall be the amount, if any, produced by deducting the reduction factor for houses completed during the three years 1972-73, 1973-74 and 1974-75 from the amount of their special residual subsidy for the immediately preceding year.
- (9) In this section " the reduction factor " for houses completed during any specified year or years means the sum produced by multiplying £20 by the total number of houses the erection of which was approved for subsidy before the coming into force of this Act and which are completed by the association during the year or years.

54 Residual subsidies-supplementary

- (1) If a housing association, by furnishing to the Secretary of State such information as to their financial position as he may require, satisfy him that for the year 1972-73 or for any year subsequent to that year their income from their houses will be inadequate, having regard to their normal sources of income, to meet such expenditure (including loan charges) as in his opinion it would be reasonable for them to incur for that year in the exercise of their housing functions, he may direct that section 52 or section 53 of this Act shall have effect in relation to that association for that year as if for any references to £5 or £20 there were substituted references to such smaller amounts as may be specified in the direction ; and the amounts which may be so substituted shall include zero.
- (2) The Secretary of State may reduce, suspend, or discontinue the payment of basic residual subsidy or special residual subsidy to a housing association if they lease or otherwise dispose of any of their houses in respect of which they are entitled to such a payment.
- (3) If any of the houses of a housing association are leased to or become vested in another housing association or trustees for another housing association, or are leased to or become vested in the Housing Corporation, the Secretary of State may pay to that association or the Corporation the whole or any part of any basic residual subsidy or special residual subsidy which he would otherwise have paid to the former association

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

for any year beginning with the year in which the houses are so leased or come to be so vested.

- (4) For the purposes of this section houses are leased if and only if they are leased for a term exceeding seven years, or for a term not exceeding seven years granted by a lease which confers on the lessee an option for renewal for a term which, together with the original term, exceeds seven years.

55 The new building subsidy

- (1) This section has effect, subject to section 56 of this Act, as to the circumstances in which new building subsidy is payable to a housing association and the amount of new building subsidy so payable.
- (2) A housing association shall be entitled to new building subsidy as provided by the following provisions of this section and section 56 below, in respect of a building scheme approved by the Secretary of State for the purposes of this section if they incur an initial deficit on it.
- (3) In this section and section 56 of this Act " building scheme " means a scheme approved by the Secretary of State for the erection by a housing association of a house or group of houses for the purpose of letting or for any purpose which in the opinion of the Secretary of State is comparable, and also includes the provision of other buildings or land connected with the requirements of the occupiers of the house or houses comprised in the scheme.
- (4) Subject to subsection (11) below, and to subsections (2) and (3) of section 56 of this Act, new building subsidy shall be paid to a housing association for ten years, namely the year of completion of the last or only house comprised in a building scheme (in this section referred to as the " year of completion ") and the nine years immediately following, and the amount of subsidy for a year shall be the percentage of the initial deficit shown for that year in the Table in subsection (6) below.
- (5) For the purposes of this section—
- (a) a housing association incur an initial deficit on a building scheme if their income from the scheme for the year immediately following the year of completion is less than their approved expenditure on the scheme for that year;
 - (b) the income from a building scheme for the year immediately following the year of completion is the income which would be obtained for that year from all the buildings and land comprised in the scheme, assuming, subject to subsection (8) below, that every house so comprised were let for the whole of that year at a rent equal to the amount which would be registered as a fair rent for the house under this Part of this Act;
 - (c) the approved expenditure on a building scheme for the year immediately following the year of completion is the association's expenditure on loan charges in respect of the expenditure on the scheme and on the maintenance and management of the buildings and land comprised in the scheme.
- (6) The following is the Table referred to in subsection (4) above:—

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

TABLE

<i>Year for which subsidy is payable</i>	<i>Percentage of initial deficit to be met by subsidy</i>
Year of completion	100
Second	100
Third	100
Fourth	60
Fifth	60
Sixth	60
Seventh	30
Eighth	30
Ninth	30
Tenth.	10

- (7) Income from and approved expenditure on a building scheme shall be estimated in such manner and on such evidence as the Secretary of State may from time to time direct in the case of associations in general or any individual association or description of associations.
- (8) The Secretary of State may direct under subsection (7) above that paragraph (b) of subsection (5) above shall have effect with the substitution for the assumption specified in that paragraph of such other assumption as may be specified in the direction.
- (9) In any case where a housing association are entitled to new building subsidy but are precluded by their rules or constitution from charging a rent for their houses, the reference in paragraph (b) of subsection (5) above to the amount which would be registered as a fair rent shall be construed, in relation to the association's houses, as a reference to the amount which, in the opinion of the Secretary of State, would be registered as a fair rent if those houses were available for letting at a rent.
- (10) In any case to which subsection (9) above applies the Secretary of State may assume, without prejudice to subsections (7) and (8) above, that the houses would be let on such terms and in such circumstances as he considers appropriate.
- (11) The Secretary of State shall consult with such bodies representative of housing associations as he considers appropriate—
- before giving a general direction as to the method of estimating approved expenditure;
 - before determining, in any case to which subsection (9) applies, the assumptions as to letting which are to be made under subsection (10) above.
- (12) If a housing association, by furnishing to the Secretary of State such information as to their financial position as he may require, satisfy him, in relation to a building scheme, that for any year except—
- the year of completion, or
 - the second or third year for which new building subsidy is payable,

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

payment of an amount of subsidy equal to the percentage of the initial deficit shown in the Table will be inadequate, having regard to their normal sources of income, to enable them to meet such expenditure (including loan charges) as in his opinion it would be reasonable for them to incur for that year in the exercise of their housing functions, he may direct that for that year the percentage of the initial deficit to be met by subsidy shall be greater than that shown in the Table but not greater than 90 per cent. or than the percentage met by subsidy for the immediately preceding year, if that was less than 90 per cent.

56 New building subsidy-supplementary

- (1) The Secretary of State may make his approval of a building scheme subject to compliance by the association who apply for that approval with such conditions as he may specify.
- (2) The Secretary of State may make reduced payments of new building subsidy to a housing association in respect of a building scheme, or suspend or discontinue such payments—
 - (a) if he made his approval of the building scheme subject to compliance with any conditions and is satisfied that any of those conditions has not been complied with ; or
 - (b) if he is satisfied that a house comprised in the scheme—
 - (i) has been converted, demolished or destroyed; or
 - (ii) is not fit to be used or is not being used for the purpose for which it was intended; or
 - (iii) has been sold or leased ; or
 - (iv) has ceased for any reason whatsoever to be vested in the association or trustees for the association.
- (3) If any of the houses comprised in a building scheme are leased to or become vested in a housing association or trustees for a housing association other than the association who received approval for the scheme, or are leased to or become vested in the Housing Corporation, the Secretary of State may pay to them the whole or any part of any new building subsidy which he would otherwise have paid for any year beginning with the year in which they are so leased or come to be so vested to the association which received approval for the scheme.
- (4) For the purposes of this section houses are leased if and only if they are leased for a term exceeding seven years, or for a term not exceeding seven years granted by a lease which confers on the lessee an option for renewal for a term which, together with the original term, exceeds seven years.

57 The improvement subsidy

- (1) This section has effect as to the circumstances in which improvement subsidy is payable to a housing association and the amount of improvement subsidy so payable.
- (2) A housing association shall be entitled to improvement subsidy as provided by the following provisions of this section in respect of an improvement scheme approved by the Secretary of State for the purposes of this section if they incur an initial deficit on it.
- (3) In this section " improvement scheme " means a scheme approved by the Secretary of State for the provision of a house or group of houses by a housing association by

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

means of the conversion of houses or other buildings, or for the improvement of a house or group of houses by a housing association, for the purpose of letting or for any purpose which in the opinion of the Secretary of State is comparable.

- (4) Subsections (4) to (12) of section 55, and section 56, of this Act shall apply to improvement subsidy as they apply to new building subsidy except that—
- (a) for any reference to a building scheme there shall be substituted a reference to an improvement scheme;
 - (b) in subsection (4) of section 55 after the words " section 56 of this Act", there shall be inserted the words " as applied by section 57 of this Act ";
 - (c) in paragraph (b) of section 55(5) for the words " buildings and land " there shall be substituted the word " houses ";
 - (d) in paragraph (c) of section 55(5), at the beginning there shall be inserted the words " subject to subsection (5) of section 57 of this Act ", for the words " buildings and land" there shall be substituted the word " houses " and at the end there shall be added the words " and includes any expenditure incurred by the association in acquiring interests in land for the purpose of giving effect to the scheme ".
- (5) Where an exchequer contribution is payable under section 16 or 17 of the Act of 1968, or an improvement grant or a standard grant has been made to a housing association under section 27 or 40 of the Act of 1968 respectively, towards the cost of works of conversion for the provision of a house, or of improvement of a house, comprised in an improvement scheme, then the cost of such works shall not be included in the approved expenditure on the improvement scheme for the purposes of this section.
- (6) Where improvement subsidy is payable to a housing association in respect of a house comprised in an improvement scheme, then no exchequer contribution shall be payable under section 16 or 17 of the Act of 1968, and a local authority shall not approve an application by the housing association for an improvement grant or a standard grant under section 27 or 40 of the Act of 1968 respectively, towards the cost of works of conversion for the provision of such a house or of improvement of such a house.

Housing and subsidy agreements

58 Housing agreements

- (1) Any term of a housing agreement relating to rent payable in respect of a house to which the agreement relates or contributions towards the cost of maintaining such a house shall cease to have effect on 1st January 1973.
- (2) In this section " housing agreement" means any of the following, namely—
- (a) an agreement made between the Secretary of State and a housing association under section 1(1)(d) of the Housing (Scotland) Act 1962 (special arrangements for provision of housing) before this Act comes into force;
 - (b) an agreement for a loan or a grant to a housing association under section 152 of the Act of 1966 (loans and grants to housing associations by local authorities);
 - (c) an agreement made between a local authority and a housing association under section 153 of that Act (arrangements for provision of housing);
 - (d) an agreement made between the Secretary of State and a housing association under section 154 of that Act (arrangements for improvement of housing);

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

- (e) an agreement made between a housing association and a local authority under section 155 of that Act (arrangements for improvement of housing);
 - (f) a scheme under section 157 of that Act (unification of conditions affecting housing associations' houses);
 - (g) an agreement made between the Secretary of State and a housing association under section 1(2)(d) of the Act of 1968 (special arrangements for provision of housing) before this Act comes into force ;
 - (h) an agreement made between the Secretary of State and a housing association under section 23 of the Act of 1968 (advances by Secretary of State for provision of housing accommodation for letting);
 - (i) an agreement for a loan to a housing association by the Housing Corporation under section 2 of the Housing Act 1964.
- (3) Any such term as is mentioned in subsection (1) above included in a housing agreement made under section 152, 153 or 155 of the Act of 1966 after the coming into force of this Act shall be void.
- (4) Subject to subsection (1) above and subsection (5) below, a housing agreement made before the coming into force of this Act shall continue to have effect after this Act comes into force.
- (5) Upon the application of a party to a housing agreement the Secretary of State may, if he thinks fit, direct—
- (a) that the agreement shall have effect with such variations, determined by him or agreed by the parties, as may be specified in the direction ; or
 - (b) that the agreement shall be terminated ;
- but no variation shall be directed which would have the effect of including in an agreement any term such as is mentioned in subsection (1) above.

59 Subsidy agreements

- (1) Where an agreement in pursuance of which payments are to be made under or by reference to any of the enactments described in Parts IV and VI of Schedule 1 to this Act (hereafter referred to as a "subsidy agreement ") has been made between a local authority and a housing association, the prohibition on the making of payments under or by reference to such an enactment contained in paragraph 1 of Schedule 8 to this Act shall be construed, subject to subsection (2) below, as extending only to the payment of amounts which the authority are obliged to pay by the relevant enactment; and accordingly, where such an agreement provides for the payment of greater amounts, the authority shall continue to pay to the housing association sums equal to the difference between the amounts for the payment of which the agreement provides and the amount which they are obliged to pay by that enactment.
- (2) Upon the application of a party to a subsidy agreement, the Secretary of State may, if he thinks fit, direct—
- (a) that the agreement shall have effect with such variations, determined by him or agreed by the parties, as may be specified in the direction ; or
 - (b) that the agreement shall be terminated;
- but no variation shall be directed which would have the effect of including in an agreement any term such as is mentioned in section 58(1) above.

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

Rent limit for dwelling-houses let by housing associations and the Housing Corporation

60 Tenancies to which sections 60 to 66 apply

This section and sections 61 to 66 of this Act apply to a tenancy where—

- (a) the interest of the landlord under that tenancy belongs to a housing association or to the Housing Corporation, and
- (b) the tenancy would be a protected tenancy but for section 5 of the Act of 1971, and in this section and the said sections 61 to 66 "tenancy" means, unless the context otherwise requires, a tenancy to which those sections apply.

61 Rents to be registrable under Part IV of the Act of 1971

- (1) There shall be a separate part of the register under Part IV of the Act of 1971 in which rents may be registered for dwelling-houses which are let, or are, or are to be, available for letting, under a tenancy to which sections 60 to 66 of this Act apply.
- (2) Sections 39 to 42, section 43 (except subsection (3) thereof) and section 46 of, and Schedules 6 and 7 to, the Act of 1971 shall, in relation to that part of the register, have effect as if for any reference in those provisions to a regulated tenancy there were substituted a reference to a tenancy to which the said sections 60 to 66 apply.
- (3) Subject to section 64 of this Act, registration in the said part of the register shall take effect on the date of registration:

Provided that registration before 1st January 1973 shall be provisional only until that date, and the date of registration shall be 1st January 1973.
- (4) From the date of registration any previous registration of a rent for the dwelling-house shall cease to have effect.
- (5) A rent registered in any part of the register for a dwelling-house, which becomes or ceases to be a dwelling-house under a tenancy to which sections 60 to 66 of this Act apply, shall be as effective as if it were registered in any other part of the register.
- (6) Subject to subsection (5) above, references in the said sections 60 to 66 to registration are, unless the context otherwise requires, references to registration pursuant to this section.

62 The rent limit

- (1) Where the rent payable under a tenancy would exceed the rent limit determined in accordance with sections 60 to 66 of this Act, the amount of the excess shall be irrecoverable from the tenant.
- (2) Where a rent for the dwelling-house is registered, then, subject to sections 63 and 64 of this Act and Part IV of the Schedule to the Fire Precautions Act 1971, the rent limit is the rent so registered:

Provided that where any rates in respect of the dwelling-house are borne by the landlord the amount of those rates for any rental period, ascertained in accordance with Schedule 4 to the Act of 1971, shall be added to the limit imposed by this subsection, and then, subject to subsection (4) below, any reference in sections 60 to 66 of this

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

Act to the rent registered for the dwelling-house shall be taken as a reference to the registered rent plus the amount of rates borne by the landlord.

- (3) Where no rent for the dwelling-house is registered, then, subject to subsection (4) below and Part IV of the Schedule to the Fire Precautions Act 1971, the rent limit shall be determined as follows—
- (a) if the lease or agreement creating the tenancy was made before 1st January 1973, the rent limit is the rent recoverable under the tenancy, as varied by any agreement made before that date (but not as varied by any later agreement),
 - (b) if paragraph (a) above does not apply, and, not more than three years before the tenancy began, the dwelling-house was subject to another tenancy (whether before 1973 or later) the rent limit is the rent recoverable under that other tenancy (or, if there was more than one, the last of them) for the last rental period thereof,
 - (c) if paragraph (a) and paragraph (b) above do not apply, the rent limit shall be the rent payable under the terms of the lease or agreement creating the tenancy (and not the rent so payable under those terms as varied by any subsequent agreement).
- (4) Where for any period there is a difference between the amount (if any) of the rates borne by the landlord in respect of the dwelling-house and the amount (if any) so borne in the rental period on which the rent limit is based, the rent limit under subsection (3) above or paragraph (a) or (b) of section 63(2), or section 64(4), of this Act shall be increased or decreased by the amount of the difference:
- Provided that an increase of rent made solely to reflect an increase in the amount of rates borne by the landlord shall be disregarded for the purposes of section 63(3) or (4) of this Act.
- (5) Section 31 of the Act of 1971 (enforcement provisions) shall apply as if any amount made irrecoverable by virtue of this section were irrecoverable by virtue of Part III of that Act.
- (6) A tenancy commencing (whether before or after this Act comes into force) while there is in operation a condition relating to rent imposed under any of the enactments mentioned in section 40(5) of the Act of 1971 shall be disregarded for the purposes of subsection (3)(b) above in determining the rent limit under any subsequent tenancy of the dwelling-house.
- (7) Section 33 of the Act of 1971 (duty of landlord to supply statement of rent under previous tenancy) shall apply where the rent is subject to the rent limit under subsection (3)(b) above as it applies where rent under a regulated tenancy is subject to the contractual rent limit mentioned in that section.
- (8) This section shall not apply to rent for any rental period beginning before 1st January 1973.

63 Phasing of progression to registered rent

- (1) This section applies where a rent is registered for a dwelling-house (whether it is the first or any subsequent registration) which exceeds the rent limit for the dwelling-house immediately before the date of registration, unless at the date of registration there is no tenant and no person to whom the tenancy has been granted.

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

- (2) The rent limit shall progress from the rent limit immediately before the date of registration to the registered rent in stages, and, subject to section 62(4) of this Act and paragraph 3 of Part IV of the Schedule to the Fire Precautions Act 1971—
 - (a) for any rental period beginning in the first stage, the rent limit shall be the rent limit immediately before the date of registration plus £0.75 per week, or the registered rent, whichever is the less,
 - (b) for any rental period beginning in the second or any subsequent stage, the rent limit shall be the rent payable for the first rental period of the last previous stage plus £0.75 per week, or the registered rent, whichever is the less.
- (3) The first stage shall last for 52 weeks from the date of registration, or from the beginning of the first rental period for which the rent is first increased (by any amount) on or after that date, whichever is the later.
- (4) Any subsequent stage shall last for 52 weeks from the end of the last previous stage, or from the beginning of the first rental period for which the rent is first increased (by any amount) after the end of the last previous stage, whichever is the later.
- (5) If a tenancy of the dwelling-house is granted at any time when the rent limit is less than the registered rent, and the tenant is neither the person who, at the time when the previous tenancy (or the last previous tenancy) ended, was the tenant under that tenancy nor a member of that tenant's family who resided with him, the registered rent shall become the rent limit from the beginning of the new tenancy, and the stages by which the rent limit was to progress up to the registered rent shall terminate.
- (6) The registration of a lower or higher rent during the progression from the rent limit in force before the prior registration shall not alter the stages by which the rent limit is to progress, and if a higher rent is registered in the 52 weeks beginning with the first rental period for which the rent is increased up to the rent registered on the prior registration, the first stage in the progression from that rent up to the later registered rent shall not begin until the end of that period of 52 weeks.

64 Previous rent limit exceeding registered rent: special rent limit

- (1) Where the rent limit for a dwelling-house immediately before the date of registration of a rent for that dwelling-house exceeded the rent so registered, the registration shall be provisional only until it takes effect in accordance with this section.
- (2) If—
 - (a) no application is made under this section to the Secretary of State before the expiration of a period of 28 days beginning with the date of registration, or
 - (b) an application duly made to the Secretary of State under this section is refused, the registration shall cease to be provisional, and shall take effect as from the date of registration.
- (3) Notwithstanding section 67(2) of this Act, the reference in subsection (2)(a) above to the date of registration shall be construed, in a case where a rent determined by a rent assessment committee is registered in substitution for a rent determined by the rent officer, as a reference to the date on which the rent determined by the rent assessment committee was registered.
- (4) The Secretary of State may, on an application made to him within the said period of 28 days, grant the application and direct that the rent limit for the dwelling-house shall,

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

subject to Part IV of the Schedule to the Fire Precautions Act 1971, be such amount as is specified in the direction, being an amount not more than the said previous rent limit, but more than the rent which is provisionally registered.

The Secretary of State may include in a direction under this subsection such conditions as he thinks fit, and if any condition is not complied with the direction shall cease to have effect.

- (5) The period for which the direction has effect shall begin with the date of the provisional registration, and the date when, subject to subsections (6) and (7) below, that period is to end shall be specified in the direction, being a date not more than three years and six months from the date of the provisional registration.
- (6) The direction shall cease to have effect—
 - (a) if on a subsequent application for registration a different rent is registered for the dwelling-house and that rent is equal to or exceeds the rent specified in the direction, or
 - (b) the rent assessment committee determine a rent in substitution for the rent registered by the rent officer, and that rent is equal to or exceeds the rent specified in the direction, or
 - (c) the applicant ceases to be the landlord of the dwelling-house.
- (7) Subject to subsection (6) above, if on the date specified as the end of the period under subsection (5) above a subsequent application for registration is pending, the direction shall continue in force until that application has been disposed of by the rent officer.
- (8) When the period for which a direction has effect ends, and the provisional registration is not superseded by a new registration under paragraph (a) or paragraph (b) of subsection (6) above, the registration shall cease to be provisional and, except for the purposes of section 40 of the Act of 1971 (right to apply for registration of a new rent after 3 years), shall take effect at the time when the period ends.
- (9) Where a registration is by virtue of this section a provisional registration, the reference in section 40(4)(b) of the Act of 1971 to the date on which the registration of rent took effect shall be construed as a reference to the date of the provisional registration.
- (10) The rent officer shall notify the tenant of any case where a registration is by virtue of this section a provisional registration,
- (11) This section applies whether the registration mentioned in subsection (1) above is the first or any subsequent registration and, in the case of a subsequent registration, whether or not the rent limit immediately before the date of registration was that fixed by a direction under this section.
- (12) A confirmation of a rent by the rent officer shall be treated for the purposes of this section as a registration of a rent which supersedes the registration, whether or not it is a provisional registration, prior to the confirmation.

65 Special rent limit: procedure on application

- (1) An application under the last preceding section shall be in such form as the Secretary of State may direct either generally or in any particular case, and the applicant shall give notice of the application to the rent officer and shall take all reasonable steps to give notice of the application to the tenant Of each dwelling-house which would be affected by a direction given on the application.

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

- (2) The Secretary of State in entertaining the application—
 - (a) shall take into consideration the information about the finances of the applicant given to him on the application, and any further information given by the applicant at his request, and
 - (b) shall not give a direction unless he is satisfied that the direction is necessary having regard to the applicant's normal sources of income and to the expenditure (including loan charges) which in his opinion it is reasonable for the applicant to incur in the exercise of housing functions.
- (3) The Secretary of State shall give notice in writing of his decision on the application to the applicant and to the rent officer and, where the decision is to grant the application, the notice shall include particulars of the direction given on the application.
- (4) The rent officer shall note in the register—
 - (a) any application notified to him by the applicant, and
 - (b) any direction given and the period for which it is effective, and
 - (c) any decision of the Secretary of State not to grant an application.
- (5) The applicant shall take all reasonable steps to notify the tenant of each dwelling-house affected of any case where the Secretary of State decides to grant or not to grant an application and, where the decision is to grant the application, the notice shall include particulars of the direction given on the application.

66 Increase of rent without notice to quit

Subsections (1) to (4) of section 62 of the Act of 1969 (increase of rents of houses belonging to certain authorities without notice of removal) shall apply to a housing association or the Housing Corporation as they apply to any authority to which that section applies, except that in subsection (4) for the reference to the date of the commencement of that Act there shall be substituted a reference to the date of the coming into force of this Act.

67 Supplemental to sections 60 to 66

- (1) Section 34 of the Act of 1971 (adjustment for differences in lengths of rental periods) shall apply for the purposes of sections 60 to 66 of this Act as it applies for the purposes of Part III of that Act.
- (2) Where a rent determined by a rent assessment committee is registered in substitution for a rent determined by the rent officer, the date of registration shall be deemed for the purposes of sections 60 to 66 of this Act to be the date on which the rent determined by the rent officer was registered:

Provided that a landlord shall not, by virtue of this subsection, be entitled to recover any rent for a rental period beginning before the date when the rent determined by the rent assessment committee was registered.
- (3) The sheriff shall have jurisdiction, either in the course of any proceedings relating to a dwelling-house or on an application made for the purpose by the landlord or the tenant, to determine any question as to the rent limit under the said sections 60 to 66, or as to any matter which is or may become material for determining any such question; and section 123(1) of the Act of 1971 shall apply to any application to the sheriff under

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

this subsection as it applies to any application under any of the provisions mentioned in section 123(3) of that Act.

Interpretation

68 Interpretation of Part VI

(1) In this Part of this Act, unless the context otherwise requires—

" housing functions " means constructing, improving or managing or facilitating or encouraging the construction or improvement of houses by conversion and the acquisition of houses, and includes functions which are supplementary or incidental to any of those functions.

" loan charges " includes any loan charges made by a housing association (including charges for debt management) whether in respect of borrowing from any capital fund kept by the housing association, or in respect of borrowing between accounts kept by the housing association for different functions, or otherwise.

(2) In this Part of this Act, expressions which are used in this Part of this Act which are also used in Parts III and IV of the Act of 1971 shall, unless the context otherwise requires, have the same meaning as in those Parts.