Housing Associations Act 1985

1985 CHAPTER 69

PART II

HOUSING ASSOCIATION FINANCE

Arrangements with local authorities

58 Powers of local authorities to promote and assist housing associations: England and Wales.

(1) A local authority may promote the formation or extension of or, subject to the provisions of this Act, assist a housing association.

(2) A local authority may, subject to section 60 (assistance restricted to registered housing associations), for the assistance of a housing association—

(a) make grants or loans to the association,

(b) subscribe for share or loan capital of the association, or

(c) guarantee or join in guaranteeing the payment of the principal of, and interest on, money borrowed by the association (including money borrowed by the issue of loan capital) or of interest on share capital issued by the association,

on such terms and conditions as to rate of interest and repayment or otherwise and on such security as the local authority think fit.

(3) A term of an agreement for such a grant or loan is void if it purports—

(a) to limit the aggregate amount of rents payable in respect of dwellings to which the agreement relates or contributions towards the cost of maintaining such dwellings, or

(b) to specify a limit which the rent of a dwelling is not to exceed.

59 Powers of local authorities to promote and assist housing associations: Scotland.

(1) A local authority or regional council may promote the formation or extension of or, subject to section 60 (assistance restricted to registered housing associations), assist a

housing association whose objects include the erection, improvement or management of housing accommodation.

(2) A local authority or regional council may, with the consent of and subject to any regulations or conditions made or imposed by the Secretary of State, for the assistance of such an association—

(a) make grants or loans to the association,

(b) subscribe for share or loan capital of the association, or

(c) guarantee or join in guaranteeing the payment of the principal of, and interest on, money borrowed by the association (including money borrowed by the issue of loan capital) or of interest on share capital issued by the association,

on such terms and conditions as to rate of interest and repayment or otherwise and on such security as the local authority or regional council think fit.

(3) A term of an agreement for such a grant or loan is void if it purports to relate to the rent payable in respect of a house to which the agreement relates or the contributions payable towards the cost of maintaining such a house.

(4) Regulations under this section shall be made by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.

[F1(5) Sections 6, 15, 320 and 329 of the Housing (Scotland) Act 1987 (general provisions with respect to housing functions of local authorities etc.) apply in relation to this section and section 61, as they apply in relation to the provisions of that Act.**]**

Textual Amendments

F1 S. 59(5) added by Housing (Scotland) Act 1987 (c. 26, SIF 61), ss. 335, 339(2), **Sch. 23 para. 31(7)**

60 Certain assistance restricted to registered housing associations.

(1) Subject to the following provisions of this section, grants, loans and guarantees may be made or given under sections 58(2)(a) and (c) and 59(2)(a) and (c) only if the association is at the time the grant or loan is made, or the guarantee is given, a registered housing association.

(2) Subsection (1) does not apply in relation to the making of a loan to an unregistered self-build society for the purpose of enabling it to meet the whole or part of the expenditure incurred, or to be incurred, by it in carrying out its objects.

(3) Nothing in subsection (1) prevents the making of a loan to an unregistered association for the assistance of the association—

(a) in connection with works required to be carried out in pursuance of, or the acquisition of an estate or interest in a dwelling or other building for the purposes of, arrangements under section 121 of the M1Housing Act 1957 or section 155 of the M2Housing (Scotland) Act 1966 (arrangements with local authorities for the improvement of housing) which were approved by the Secretary of State before 1st April 1975;

(b) in connection with dwellings which were relevant dwellings for the purposes of section 73 of the M3Housing Finance Act 1972 (certain dwellings approved for purposes of subsidy before 10th August 1972);

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Changes to legislation: *There are currently no known outstanding effects for the Housing Associations Act 1985, Cross Heading: Arrangements with local authorities. (See end of Document for details)*

(c) in connection with the provision of works which are relevant works, approved for subsidy, within the meaning of section 53 of the [M4]Housing (Financial Provisions) (Scotland) Act 1972;

(d) in connection with a building scheme within the meaning of section 75 of the Housing Finance Act 1972 (new building subsidy) which was approved by the Secretary of State for the purposes of that section before 1st April 1975;

(e) in connection with a building scheme or improvement scheme, within the meaning of sections 55 and 57 of the Housing (Financial Provisions) (Scotland) Act 1972 which was approved by the Secretary of State for the purposes of those sections before 1st April 1975.

Marginal Citations

M1 1957 c. 56.
M2 1966 c. 49.
M3 1972 c. 47.
M4 1972 c. 46.

61 Power of local housing authority to supply furniture to housing association tenants.

(1) A local housing authority may sell, or supply under a hire-purchase agreement, furniture to the occupants of houses provided by a housing association under arrangements made with the authority, and may buy furniture for this purpose.

(2) In this section "hire-purchase agreement" means a hire-purchase agreement or conditional sale agreement within the meaning of the [M5]Consumer Credit Act 1974.

Marginal Citations

M5 1974 c. 39.

62 . . . . . [F2]

Textual Amendments

F2 S. 62 repealed (with saving) by Housing Act 1988 (c. 50, SIF 61), s. 140(2), **Sch. 18**: S.I. 1989/404, **art. 3(d)**)

63— 66. . . . . [F3]

Textual Amendments

F3 Ss. 63–66 repealed by Building Societies Act 1986 (c. 53, SIF 16), ss. 54(3)(a)(5), 119(5), 120(1)(2), Sch. 18 Pt. I para. 19(2), **Sch. 19 Pt. I** (and s. 64(4) is also expressed to be repealed (5.11.1993) by 1993 c. 50, s. 1(1), **Sch. 1 Pt.XIV** Gp. 2).

Status:
Point in time view as at 01/02/1991.

Changes to legislation:
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