



Housing Act 1988

1988 CHAPTER 50

PART II **E+W+S**

HOUSING ASSOCIATIONS

Grants: functions of Secretary of State

55 **Surplus rental income.** **E+W+S**

- (1) An association to which this section applies, that is to say, a registered housing association which has at any time received a payment in respect of—
 - (a) a grant under section 50 above, or
 - (b) a grant under section 41 of the 1985 Act or any enactment replaced by that section, or
 - (c) a grant under section 2(2) of the ^{M1}Housing (Scotland) Act 1988,
(in this section referred to as a “relevant grant”) shall show separately in its accounts for any period ending after the coming into force of this section the surpluses arising from increased rental income during that period from such housing activities to which the grant relates as the Secretary of State may from time to time determine.
- (2) The surpluses shall be shown by each association in a fund to be known as its rent surplus fund; and the method of constituting that fund and of showing it in the association’s accounts shall be as required by order of the Secretary of State under section 24 of the 1985 Act (general requirements as to accounts) and, notwithstanding anything in subsection (5) of that section, such an order may make provision applying to any period to which this section applies.
- (3) The surpluses in respect of a period shall be calculated in such manner as the Secretary of State may from time to time determine; and a determination under this subsection may provide that, in calculating surpluses, an association shall act on such assumptions (whether or not borne out or likely to be borne out by events) as may be specified in the determination.
- (4) A determination under subsection (1) or (3) above may—

Status: Point in time view as at 01/02/1991. This version of this provision has been superseded.

Changes to legislation: Housing Act 1988, Section 55 is up to date with all changes known to be in force on or before 27 September 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (a) make the same provision for all cases; or
- (b) make different provision for different cases or descriptions of cases, including different provision for different areas or for different descriptions of housing associations or housing activities;

and for the purposes of this subsection descriptions may be framed by reference to any matters whatever, including in particular, in the case of housing activities, the manner in which they are financed.

- (5) Before making a determination under subsection (1) or (3) above, the Secretary of State shall consult such bodies appearing to him to be representative of housing associations as he considers appropriate; and after making such a determination, the Secretary of State shall publish it in such manner as he considers appropriate for bringing it to the notice of the associations concerned.
- (6) The Secretary of State may from time to time give notice to an association to which this section applies requiring it to pay to him, with interest if demanded, or to apply or appropriate for purposes he specifies, any sums standing in its rent surplus fund at the end of a period of account.
- (7) Any interest demanded by such a notice is payable—
 - (a) at the rate or rates (whether fixed or variable) previously determined by the Secretary of State, with the consent of the Treasury, for housing associations generally and published by him or, if no such determination has been made, at the rate or rates (whether fixed or variable) specified with the consent of the Treasury in the notice; and
 - (b) either from the date of the notice or from such other date, not earlier than the end of the period of account, as may be specified in the notice.
- (8) A notice under subsection (6) above demanding interest may with the consent of the Treasury provide that, if the sums required by the notice to be paid to the Secretary of State are paid before a date specified in the notice—
 - (a) no interest shall be payable for any period after the date of the notice; and
 - (b) any interest payable shall be payable at a rate or rates lower than the rate or rates given by subsection (7) above.
- (9) The Secretary of State may from time to time give notice—
 - (a) to all associations to which this section applies,
 - (b) to associations to which this section applies of a particular description, or
 - (c) to particular associations to which this section applies,
 requiring them to furnish him with such information as he may reasonably require in connection with the exercise of his functions under this section; and a notice under paragraph (a) or (b) above may be given by publication in such manner as the Secretary of State considers appropriate for bringing it to the attention of the associations concerned.
- (10) Where—
 - (a) an association has received a payment in respect of a relevant grant, and
 - (b) at any time property to which the grant relates becomes vested in, or is leased for a term of years to, or reverts to, some other registered housing association, or trustees for some other such association,

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this section (including this subsection) shall have effect in relation to periods after that time as if the payment, or such proportion of it as may be determined by the Secretary of State to be appropriate, had been made to that other association.

Marginal Citations

M1 1988 c. 43.

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