



Local Government and Housing Act 1989

1989 CHAPTER 42

PART VI

HOUSING FINANCE

Housing subsidies

80 Calculation of Housing Revenue Account subsidy

- (1) The amount of Housing Revenue Account subsidy (if any) payable to a local housing authority for a year shall be calculated in accordance with such formulae as the Secretary of State may from time to time determine; and for any year the first such determination shall be made before the 25th December immediately preceding that year.
- (2) If the amount so calculated is a negative amount, the authority shall for that year carry the equivalent positive amount from their Housing Revenue Account to the credit of some other revenue account of theirs.
- (3) In determining a formula for the purposes of this section for any year, the Secretary of State may include variables framed (in whatever way he considers appropriate) by reference to—
 - (a) any amounts which fall to be or were credited or debited to the authority's Housing Revenue Account for that year or any previous year;
 - (b) any amounts which, on such assumptions as the Secretary of State may determine (whether or not borne out or likely to be borne out by events), would fall to be or would have been so credited or debited; and
 - (c) such other matters relating to the authority, or to (or to tenants of) houses and other property which are or have been within the account, as he thinks fit;and the Secretary of State may make any determination falling to be made for the purposes of a formula on the basis of information received by him on or before such date as he thinks fit.

Status: This is the original version (as it was originally enacted).

- (4) Without prejudice to the generality of subsection (3) above, a formula may require it to be assumed that the amount for any year of the rental income or housing expenditure of each authority (or each authority in England or in Wales) is to be determined—
- (a) by taking the amount which the Secretary of State considers (having regard, amongst other things, to past and expected movements in incomes, costs and prices) should be or should have been the aggregate amount for that year of the rental incomes or, as the case may be, the housing expenditure of all of the authorities (or all of the authorities in England or Wales) taken together; and
 - (b) by apportioning that amount between them in such manner as the Secretary of State considers appropriate (which may involve, if he thinks fit, inferring the aggregate values of the houses and other property within their respective Housing Revenue Accounts from the average values of any of the houses and other property which they have disposed of);

and in this subsection “rental income” means income falling within item 1 of Part I of Schedule 4 to this Act and “housing expenditure” means expenditure falling within item 1 of Part II of that Schedule or falling to be debited to the authorities' Housing Repairs Accounts.