



# Housing Act 1996

## 1996 CHAPTER 52

### PART I

[<sup>F1</sup>SOCIAL RENTED SECTOR [<sup>F1</sup>REGULATED BY THE WELSH MINISTERS]]

### CHAPTER III

GRANTS AND OTHER FINANCIAL MATTERS

*Grants and other financial assistance*

#### 18 Social housing grants.

- (1) The [<sup>F1</sup>Relevant Authority] may make grants to registered social landlords in respect of expenditure incurred or to be incurred by them in connection with their housing activities.
- (2) The [<sup>F1</sup>Relevant Authority]<sup>F2</sup>... shall specify in relation to grants under this section—
  - (a) the procedure to be followed in relation to applications for grant,
  - (b) the circumstances in which grant is or is not to be payable,
  - (c) the method for calculating, and any limitations on, the amount of grant, and
  - (d) the manner in which, and time or times at which, grant is to be paid.
- (3) In making a grant under this section, [<sup>F3</sup>the Welsh Ministers] may provide that the grant is conditional on compliance by the landlord with such conditions as [<sup>F3</sup>the Welsh Ministers] may specify.
- (4) The [<sup>F1</sup>Relevant Authority] may, with the agreement of a local housing authority, appoint the authority to act as its agent in connection with the assessment and payment of grant under this section.
- [<sup>F4</sup>(5) The appointment—

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- (a) if made by the Housing Corporation, shall be on such terms as the Housing Corporation may, with the approval of the Secretary of State given with the consent of the Treasury, specify, and
- (b) <sup>F5</sup>[An appointment made by] the <sup>F6</sup>[Welsh Ministers]<sup>F7</sup>[under this section] , shall be on such terms as the <sup>F6</sup>[Welsh Ministers] may <sup>F8</sup>specify; and the authority shall act in accordance with those terms.]]
- (6) Where—
- (a) a grant under this section is payable to a registered social landlord, 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, another registered social landlord, or trustees for another such landlord,
- this section (including this subsection) shall have effect after that time as if the grant, or such proportion of it as is specified or determined under subsection (7), were payable to the other landlord.
- (7) The proportion mentioned in subsection (6) is that which, in the circumstances of the particular case—
- (a) <sup>F3</sup>[the Welsh Ministers], acting in accordance with such principles as it may from time to time determine, may specify as being appropriate, or
- (b) <sup>F3</sup>[the Welsh Ministers] may determine to be appropriate.

<sup>F9</sup>(8) .....

#### Textual Amendments

- F1** Words in Pt. I substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 82(1)(2)** (with ss. 139(2), 141(1), 143(2)); S.I. 1998/2244, **art.5**.
- F2** Words in s. 18(2) repealed (18.1.2005) by Housing Act 2004 (c. 34), s. 270(3)(c), Sch. 11 para. 8, **Sch. 16**
- F3** Words in Pt. I substituted (1.4.2010) by Housing and Regeneration Act 2008 (c. 17), **ss. 61(7), 325(1)**; S.I. 2010/862, **art. 2** (with Sch.)
- F4** S. 18(5) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 85(2)** (with ss. 139(2), 141(1), 143(2)); S.I. 1998/2244, **art.5**.
- F5** Words in s. 18(5)(b) substituted (1.4.2010) by The Housing and Regeneration Act 2008 (Consequential Provisions) Order 2010 (S.I. 2010/866), art. 1(2), **Sch. 2 para. 85(2)(a)** (with art. 6, Sch. 3)
- F6** Words in s. 18(5)(b) substituted (1.4.2010) by Housing and Regeneration Act 2008 (c. 17), **ss. 62(a), 325(1)**; S.I. 2010/862, **art. 2** (with Sch.)
- F7** Words in s. 18(5)(b) inserted (1.4.2010) by The Housing and Regeneration Act 2008 (Consequential Provisions) Order 2010 (S.I. 2010/866), art. 1(2), **Sch. 2 para. 85(2)(b)** (with art. 6, Sch. 3)
- F8** Words in s. 18(5)(b) substituted (1.4.2010) by The Housing and Regeneration Act 2008 (Consequential Provisions) Order 2010 (S.I. 2010/866), art. 1(2), **Sch. 2 para. 85(2)(c)** (with art. 6, Sch. 3)
- F9** S. 18(8) repealed (1.4.2010) by The Housing and Regeneration Act 2008 (Consequential Provisions) Order 2010 (S.I. 2010/866), art. 1(2), Sch. 2 para. 85(3), **Sch. 4** (with art. 6, Sch. 3)

#### Modifications etc. (not altering text)

- C1** Pt. 1: The system of "registered social landlords" under this Part is replaced (8.9.2008 for specified purposes and 1.12.2008, 16.2.2009, 1.4.2009, 7.9.2009 and 1.4.2010 for further purposes) by **Housing and Regeneration Act 2008 (c. 17)**, Pt. 2. This Part continues to apply in relation to Wales with certain provisions applied in relation to England and certain provisions preserved although they apply to England only, see s. 60 of the affecting Act; S.I. 2008/2358, art. 3; S.I. 2008/3068, art. 3 (with arts.

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6-13); S.I. 2009/363, art. 2; S.I. 2009/803, art. 7; S.I. 2009/2096, art. 2(1); S.I. 2010/862, art. 2 (with Sch.)

**C2** S. 18: transfer of functions (1.12.2008) by [The Transfer of Housing Corporation Functions \(Modifications and Transitional Provisions\) Order 2008 \(S.I. 2008/2839\)](#), arts. 1(1), **2**

**C3** S. 18 modified (1.12.2008) by [The Transfer of Housing Corporation Functions \(Modifications and Transitional Provisions\) Order 2008 \(S.I. 2008/2839\)](#), arts. 1(1), 3, **Sch. para. 5** (with art. 6)

**C4** S. 18(2)(7) extended (16.9.1996) by S.I. 1996/2402, art. 3, **Sch. para. 1**

#### Commencement Information

**I1** S. 18 wholly in force 1.4.1997: s. 18 not in force at Royal Assent, see s. 232(1)-(3); s. 18(2)(7) in force for certain purposes at 1.10.1996 by S.I. 1996/2402, **art. 4** and s. 18 in force at 1.4.1997 to the extent it is not already in force by S.I. 1997/618, **art. 2**

## 19 Land subject to housing management agreement.

A registered social landlord is not entitled to a grant under section 18 (social housing grant) in respect of land comprised in a management agreement within the meaning of the <sup>M1</sup>Housing Act 1985 (see sections 27(2) and 27B(4) of that Act: delegation of housing management functions by certain authorities).

#### Marginal Citations

**M1** 1985 c. 68.

## <sup>F10</sup>20 Purchase grant where right to acquire exercised.

#### Textual Amendments

**F10** S. 20 repealed (26.1.2019) by [Abolition of the Right to Buy and Associated Rights \(Wales\) Act 2018 \(anaw 1\)](#), s. 11(3)(4), **Sch. 1 para. 3(6)**; S.I. 2018/100, art. 2(b) (with art. 3) (with savings in S.I. 2019/110, reg. 5)

## <sup>F11</sup>21 Purchase grant in respect of other disposals.

#### Textual Amendments

**F11** S. 21 repealed (26.1.2019) by [Abolition of the Right to Buy and Associated Rights \(Wales\) Act 2018 \(anaw 1\)](#), **ss. 7(2), 11(3)(4)**; S.I. 2018/100, art. 2(a) (with art. 4) (with savings in S.I. 2019/110, reg. 5)

## 22 Assistance from local authorities.

- (1) A local authority may promote—
- (a) the formation of bodies to act as registered social landlords, and
  - (b) the extension of the objects or activities of registered social landlords.

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- (2) A local authority may for the assistance of any registered social landlord subscribe for share or loan capital of the landlord.
- (3) A local authority may for the assistance of a registered social landlord—
  - (a) make grants or loans to the landlord, or
  - (b) guarantee or join in guaranteeing the payment of the principal of, and interest on, money borrowed by the landlord (including money borrowed by the issue of loan capital) or of interest on share capital issued by the landlord.
- (4) A local housing authority may sell or supply under a hire-purchase agreement furniture to the occupants of houses provided by a registered social landlord, and may buy furniture for that purpose.

In this subsection “hire-purchase agreement” means a hire-purchase agreement or conditional sale agreement within the meaning of the <sup>M2</sup>Consumer Credit Act 1974.

**Modifications etc. (not altering text)**

**C5** S. 22 extended (16.9.1996) by [S.I. 1996/2402](#), [art. 3](#), Sch. para. 1

**Marginal Citations**

**M2** 1974 c. 39.

**23** [<sup>F12</sup>Local loans made by the Treasury]

- (1) The [<sup>F13</sup>Treasury] may lend money to a registered social landlord—
  - (a) for the purpose of constructing or improving, or facilitating or encouraging the construction or improvement, of dwellings,
  - (b) for the purchase of dwellings which the landlord desires to purchase with a view to their improvement, and
  - (c) for the purchase and development of land.
- (2) A loan for any of those purposes, and interest on the loan, shall be secured by a mortgage of—
  - (a) the land in respect of which that purpose is to be carried out, and
  - (b) such other lands (if any) as may be offered as security for the loan;
 and the money lent shall not exceed three-quarters (or, if the payment of the principal of, and interest on, the loan is guaranteed by a local authority, nine-tenths) of the value, to be ascertained to the satisfaction of the [<sup>F13</sup>Treasury], of the estate or interest in the land proposed to be so mortgaged.
- (3) Loans may be made by instalments as the building of dwellings or other work on the land mortgaged under subsection (2) progresses (so, however, that the total amount lent does not at any time exceed the amount specified in that subsection); and a mortgage may accordingly be made to secure such loans to be so made.
- (4) If the loan exceeds two-thirds of the value referred to in subsection (2), and is not guaranteed as to principal and interest by a local authority, the [<sup>F13</sup>Treasury] shall require, in addition to such a mortgage as is mentioned in that subsection, such further security as they think fit.

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- (5) Subject to subsection (6), the period for repayment of a loan under this section shall not exceed 40 years, and no money shall be lent on mortgage of any land unless the estate proposed to be mortgaged is either an estate in fee simple absolute in possession or an estate for a term of years absolute of which not less than 50 years are unexpired at the date of the loan.
- (6) Where a loan under this section is made for the purpose of carrying out a scheme for the provision of houses approved by the [<sup>F14</sup>Welsh Ministers], the maximum period for the repayment of the loan is 50 instead of 40 years, and money may be lent on the mortgage of an estate for a term of years absolute of which a period of not less than ten years in excess of the period fixed for the repayment of the sums advanced remains unexpired at the date of the loan.
- [<sup>F15</sup>(7) Any loan made under subsection (1) is a local loan for the purposes of section 3 of the National Loans Act 1968 (see Schedule 4 to that Act).]

#### Textual Amendments

- F12** S. 23 heading substituted (25.2.2020) by [The Public Bodies \(Abolition of Public Works Loan Commissioners\) Order 2020 \(S.I. 2020/176\)](#), art. 1(2), **Sch. 1 para. 80(2)** (with art. 9)
- F13** Word in s. 23 substituted (25.2.2020) by [The Public Bodies \(Abolition of Public Works Loan Commissioners\) Order 2020 \(S.I. 2020/176\)](#), art. 1(2), **Sch. 1 para. 80(3)** (with art. 9)
- F14** Words in s. 23(6) substituted (1.4.2010) by [Housing and Regeneration Act 2008 \(c. 17\)](#), **ss. 62(a), 325(1)**; [S.I. 2010/862](#), art. 2 (with Sch.)
- F15** S. 23(7) inserted (25.2.2020) by [The Public Bodies \(Abolition of Public Works Loan Commissioners\) Order 2020 \(S.I. 2020/176\)](#), art. 1(2), **Sch. 1 para. 80(4)** (with art. 9)

#### Modifications etc. (not altering text)

- C6** S. 23 extended (16.9.1996) by [S.I. 1996/2402](#), **art. 3**, Sch. para. 1

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