

Status: Point in time view as at 02/12/2019.

Changes to legislation: Housing Act 1996, Part 1 is up to date with all changes known to be in force on or before 09 August 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)

SCHEDULES

SCHEDULE 1

REGISTERED SOCIAL LANDLORDS: REGULATION

PART I

CONTROL OF PAYMENTS TO MEMBERS, &C

Payments by way of gift, dividend or bonus

- 1 (1) A registered social landlord shall not make a gift or pay a sum by way of dividend or bonus to—
- (a) a person who is or has been a member of the body,
 - (b) a person who is a member of the family of a person within paragraph (a), or
 - (c) a company of which a person within paragraph (a) or (b) is a director,
- except as permitted by this paragraph.
- (2) The following are permitted—
- (a) the payment of a sum which, in accordance with the constitution or rules of the body, is paid as interest on capital lent to the body or subscribed by way of shares in the body;
 - (b) the payment by a fully mutual housing association to a person who has ceased to be a member of the association of a sum which is due to him either under his tenancy agreement with the association or under the terms of the agreement under which he became a member of the association.
 - [^{F1}(c) the payment of a sum, in accordance with the constitution or rules of the body, to a registered social landlord which is a subsidiary or associate of the body.]
- (3) Where [^{F2}a registered society] or [^{F3}a company] pays a sum or makes a gift in contravention of this paragraph, the society or company may recover the sum or the value of the gift, and proceedings for its recovery shall be taken if the [^{F4}Relevant Authority] so directs.

Textual Amendments

- F1** Sch. 1 para. 1(2)(c) inserted (18.1.2005) by [Housing Act 2004 \(c. 34\)](#), s. 270(3)(c), [Sch. 11 para. 14](#)
- F2** Words in Act substituted (1.8.2014) by [Co-operative and Community Benefit Societies Act 2014 \(c. 14\)](#), s. 154, [Sch. 4 para. 56](#) (with [Sch. 5](#))
- F3** Words in Sch. 1 para. 1(3) substituted (1.10.2009) by [The Companies Act 2006 \(Consequential Amendments, Transitional Provisions and Savings\) Order 2009 \(S.I. 2009/1941\)](#), art. 1(2), [Sch. 1 para. 161\(10\)\(a\)](#) (with art. 10)

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F4 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**.

Payments and benefits to officers and employees, &c.

- 2 (1) A registered social landlord which is [^{F2}a registered society] or [^{F5}a company] shall not make a payment or grant a benefit to—
- (a) an officer or employee of the society or company,
 - (b) a person who at any time within the preceding twelve months has been a person within paragraph (a),
 - (c) a close relative of a person within paragraph (a) or (b), or
 - (d) a business trading for profit of which a person falling within paragraph (a), (b) or (c) is a principal proprietor or in the management of which such a person is directly concerned,
- except as permitted by this paragraph.
- (2) The following are permitted—
- (a) payments made or benefits granted to an officer or employee of the society or company under his contract of employment with the society or company;
 - (b) the payment of remuneration or expenses to an officer of the society or company who does not have a contract of employment with the society or company;
 - (c) any such payment as may be made in accordance with paragraph 1(2) (interest payable in accordance with the rules and certain sums payable by a fully mutual housing association to a person who has ceased to be a member);
 - (d) the grant or renewal of a tenancy by a co-operative housing association;
 - (e) where a tenancy of a house has been granted to, or to a close relative of, a person who later became an officer or employee, the grant to that tenant of a new tenancy whether of the same or another house;
 - (f) payments made or benefits granted in accordance with any determination made by the [^{F6}Relevant Authority].
- (3) A determination for the purposes of sub-paragraph (2)(f) may specify the class or classes of case in which a payment may be made or benefit granted and specify the maximum amount.
- (4) Where a society or company pays a sum or grants a benefit in contravention of this paragraph, the society or company may recover the sum or value of the benefit; and proceedings for its recovery shall be taken if the [^{F6}Relevant Authority] so directs.

Textual Amendments

- F2** Words in Act substituted (1.8.2014) by Co-operative and **Community Benefit Societies Act 2014 (c. 14), s. 154, Sch. 4 para. 56** (with **Sch. 5**)
- F5** Words in Sch. 1 para. 2(1) substituted (1.10.2009) by **The Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), art. 1(2), Sch. 1 para. 161(10)(a)** (with art. 10)
- F6** 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**.

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Commencement Information

- I1** Sch. 1 para. 2 wholly in force at 1.10.1996; Sch. 1 para. 2 not in force at Royal Assent; Sch. 1 para. 2(2) (f) in force for certain purposes at 1.8.1996 by S.I. 1996/2048, **art. 3**; Sch. 1 para. 2 in force at 1.10.1996 to the extent that it is not already in force by S.I. 1996/2404, **art. 3** (subject to the transitional provisions and savings in the Sch. of that S.I.)

Maximum amounts payable by way of fees, expenses, &c.

- 3 (1) The [^{F7}Relevant Authority] may from time to time specify the maximum amounts which may be paid by a registered social landlord which is [^{F2}a registered society] or [^{F8}a company] —
- (a) by way of fees or other remuneration, or by way of expenses, to a member of the society or company who is not an officer or employee of the society or company, or
 - (b) by way of remuneration or expenses to an officer of the society or company who does not have a contract of employment with the society or company.
- (2) Different amounts may be so specified for different purposes.
- (3) Where a society or company makes a payment in excess of the maximum permitted under this paragraph, the society or company may recover the excess, and proceedings for its recovery shall be taken if the [^{F7}Relevant Authority] so directs.

Textual Amendments

- F2** Words in Act substituted (1.8.2014) by Co-operative and **Community Benefit Societies Act 2014 (c. 14), s. 154, Sch. 4 para. 56** (with Sch. 5)
- F7** 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**.
- F8** Words in Sch. 1 para. 3(1) substituted (1.10.2009) by **The Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), art. 1(2), Sch. 1 para. 161(10)(a)** (with art. 10)

Commencement Information

- I2** Sch. 1 para. 3 wholly in force 1.10.1996; Sch. 1 para. 3 not in force at Royal Assent see s. 232(3); Sch. 1 para. 3(1)(2) in force at 1.8.1996 by 1996/2048, art. 2(1); Sch. 1 para. 3 in force at 1.10.1996 to the extent it is not already in force, by S.I. 1996/2402, **art. 3** (subject to the transitional provisions in the Sch. to that S.I.)

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