



# Housing Act 2004

## 2004 CHAPTER 34

### PART 6

#### OTHER PROVISIONS ABOUT HOUSING

### CHAPTER 5

#### MISCELLANEOUS

#### *Other provisions relating to social housing*

#### **220 Additional power to give grants for social housing**

After section 27 of the Housing Act 1996 (c. 52) insert—

*“Grants to bodies other than registered social landlords*

#### **27A Grants to bodies other than registered social landlords**

- (1) The Relevant Authority may make grants under this section to persons other than registered social landlords.
- (2) Grants under this section are grants for any of the following purposes—
  - (a) acquiring, or repairing and improving, or creating by the conversion of houses or other property, houses to be disposed of—
    - (i) under equity percentage arrangements, or
    - (ii) on shared ownership terms;
  - (b) constructing houses to be disposed of—
    - (i) under equity percentage arrangements, or
    - (ii) on shared ownership terms;

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*Status: This is the original version (as it was originally enacted).*

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- (c) providing loans to be secured by mortgages to assist persons to acquire houses for their own occupation;
  - (d) providing, constructing or improving houses to be kept available for letting;
  - (e) providing, constructing or improving houses for letting that are to be managed by such registered social landlords, and under arrangements containing such terms, as are approved by the Relevant Authority;
  - (f) such other purposes as may be specified in an order under subsection (3).
- (3) The Secretary of State may by order make such provision in connection with the making of grants under this section as he considers appropriate.
- (4) An order under subsection (3) may, in particular, make provision—
- (a) defining “equity percentage arrangements” for the purposes of this section;
  - (b) specifying or describing the bodies from whom loans may be obtained by persons wishing to acquire houses for their own occupation;
  - (c) dealing with the priority of mortgages entered into by such persons;
  - (d) specifying purposes additional to those mentioned in subsection (2)(a) to (e).
- (5) As regards grants made by the Housing Corporation, an order under subsection (3) may also require the imposition of conditions in connection with such grants, and for this purpose may—
- (a) prescribe conditions that are to be so imposed;
  - (b) prescribe matters about which conditions are to be so imposed and any particular effects that such conditions are to achieve.
- (6) The Relevant Authority 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 the time or times at which, grant is to be paid.
- (7) If, by virtue of subsection (5), an order under subsection (3) requires conditions to be imposed by the Housing Corporation in connection with a grant to a person under this section, the Corporation in making the grant—
- (a) must provide that the grant is conditional on compliance by the person with such conditions as are required by the order; and
  - (b) if it exercises its power to impose conditions under subsection (8), must not impose any that are inconsistent with the requirements of the order.
- (8) In making a grant to a person under this section the Relevant Authority may provide that the grant is conditional on compliance by the person with such conditions as the Authority may specify.
- (9) The conditions that may be so specified include conditions requiring the payment to the Relevant Authority in specified circumstances of a sum determined by the Authority (with or without interest).

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

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- (10) An order under subsection (3) shall be made by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- (11) In this section—  
“disposed of on shared ownership terms” has the meaning given by section 2(6);  
“letting” includes the grant of a licence to occupy.

### **27B Transfer of property funded by grants under section 27A**

- (1) Where—  
(a) any grant is paid or payable to any person under section 27A, 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 person who is not a registered social landlord,  
this Part shall have effect, in relation to times falling after that time, as if the grant, or such proportion of it as is determined or specified under subsection (4), had been paid or (as the case may be) were payable to that other person under section 27A.
- (2) Where—  
(a) any amount is paid or payable to any person by way of grant under section 27A, 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, a registered social landlord,  
this Part shall have effect, in relation to times falling after that time, as if the grant, or such proportion of it as is determined or specified under subsection (4), had been paid or (as the case may be) were payable to that other person under section 18.
- (3) In such a case, the relevant section 18 conditions accordingly apply to that grant or proportion of it, in relation to times falling after that time, in place of those specified under section 27A(8).  
“The relevant section 18 conditions” means such conditions specified under section 18(3) as would have applied at the time of the making of the grant if it had been made under section 18 to a registered social landlord.
- (4) The proportion mentioned in subsection (1) or (2) is that which, in the circumstances of the particular case—  
(a) the Relevant Authority, acting in accordance with such principles as it may from time to time determine, may specify as being appropriate, or  
(b) the Relevant Authority may determine to be appropriate.”

## **221 Extension of right to acquire**

After section 16 of the Housing Act 1996 (c. 52) insert—

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

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**“16A Extension of section 16 to dwellings funded by grants under section 27A**

- (1) Section 16 applies in relation to a dwelling (“a funded dwelling”) provided or acquired wholly or in part by means of a grant under section 27A (grants to bodies other than registered social landlords) with the following modifications.
- (2) In section 16(1) the reference to a registered social landlord includes a reference to any person to whom a grant has been paid under section 27A.
- (3) In section 16(2) and (4) any reference to section 18 includes a reference to section 27A.
- (4) For the purposes of section 16 a funded dwelling is to be regarded as having remained within the social rented sector in relation to any relevant time if, since it was acquired or provided as mentioned in subsection (1) above, it was used—
  - (a) by the recipient of the grant mentioned in that subsection, or
  - (b) if section 27B applies in relation to the grant, by each person to whom the grant was, or is treated as having been, paid,
 exclusively for the purposes for which the grant was made or any other purposes agreed to by the Relevant Authority.
- (5) In subsection (4) “relevant time” means a time when the dwelling would not be treated as being within the social rented sector by virtue of section 16(3).”

**222 Rights of pre-emption in connection with assured tenancies**

- (1) Section 5 of the Housing Act 1988 (c. 50) (security of tenure for assured tenants) is amended as follows.
- (2) After subsection (5) (certain obligations etc. of tenant to be unenforceable) insert—
 

“(5A) Nothing in subsection (5) affects any right of pre-emption—

  - (a) which is exercisable by the landlord under a tenancy in circumstances where the tenant indicates his intention to dispose of the whole of his interest under the tenancy, and
  - (b) in pursuance of which the landlord would be required to pay, in respect of the acquisition of that interest, an amount representing its market value.

“Dispose” means dispose by assignment or surrender, and “acquisition” has a corresponding meaning.”
- (3) The amendment made by subsection (2) does not apply in relation to any right of pre-emption granted before the day on which this section comes into force.

**223 Allocation of housing accommodation by local authorities**

In section 167(2)(d) of the Housing Act 1996 (c. 52) (people to whom preference is to be given in allocating housing accommodation) after “medical or welfare grounds” insert “(including grounds relating to a disability)”.