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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations provide for housing authorities (as defined in sections 450A and 450B of the Housing Act 1985) to make loans to their tenants in respect of service charges for repairs.

Regulation 2 gives tenants of flats a right to a loan in respect of service charges for repairs where the lease was granted under Part V of the Housing Act 1985 (the right to buy), but not the preserved right to buy, and the landlord is a housing authority. Regulation 3 specifies minimum qualifying amounts for the relevant service charges and for the loan, and provides for the amounts to be index linked. The procedure for exercising the right is dealt with in regulation 4.

Regulation 5 empowers housing authorities to make loans in respect of service charges for repairs.

Regulation 6 and Schedules 1 and 2 make provision for the terms of loans under regulations 2 and 5. Regulation 7 provides that the loans shall be secured.

The United Kingdom General Index of Retail Prices (for all items) for January in each year, to which the amounts specified in regulation 3 are index linked, is published each March in the Monthly Digest of Statistics for February by Her Majesty's Stationery Office.