
STATUTORY INSTRUMENTS

1998 No. 562

**The Income-related Benefits
(Subsidy to Authorities) Order 1998**

PART III

CALCULATION OF SUBSIDY

Interpretation of Part III

11.—(1) In this Part, unless the context otherwise requires—

“allowance” means a rent allowance;

[^{F1}“appeal tribunal” has the meaning it bears in section 39(1) of the Social Security Act 1998;]

“board and lodging accommodation” means—

- (a) accommodation provided for a charge which is inclusive of the provision of that accommodation and at least some cooked or prepared meals which are both cooked or prepared and consumed in that accommodation or associated premises; or
- (b) accommodation provided in a hotel, guest house, lodging house or some similar establishment,

but it does not include accommodation in a residential care home or nursing home within the meaning of regulation 19(3) of the Income Support (General) Regulations 1987 ^{M1} nor in a hostel within the meaning of [^{F2}regulation 14 of the Housing Benefit Regulations or, as the case may be, regulation 14 of the Housing Benefit (State Pension Credit) Regulations];

[^{F3}“Commissioner” has the meaning it bears in section 39(1) of the Social Security Act 1998;]

^{F4}
...

[^{F5}“the Consequential Provisions Regulations” means the Housing Benefit and Council Tax Benefit (Consequential Provisions) Regulations 2006;]

^{F6}
...

^{F6}
...

[^{F7}“the Housing Benefit Regulations” means the Housing Benefit Regulations 2006;]

[^{F8}“the Housing Benefit (State Pension Credit) Regulations” means the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006;]

“overpayment” includes ^{F9}... ^{F10}... overpayments under the Housing Benefit Regulations and any reference in this Order to “overpayment” in relation to any of the previous Orders shall bear the meaning it has in this Order;

^{F6}
...

“rebate” means a rent rebate ^{F11}... ^{M2};

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Changes to legislation: There are currently no known outstanding effects for the The Income-related Benefits (Subsidy to Authorities) Order 1998, PART III. (See end of Document for details)

“the Rent Officers Order” means the Rent Officers (Housing Benefits Functions) Order 1997^{M3} or the Rent Officers (Housing Benefits Functions) (Scotland) Order 1997^{M4}, as the case may be;

“the Rent Officers Order 1995” means the Rent Officers (Additional Functions) Order 1995^{M5} or the Rent Officers (Additional Functions) (Scotland) Order 1995^{M6}, as the case may be;

“scheme” means the housing benefit scheme^{F12}... as prescribed under section 123(1) of the Social Security [F13Contributions and Benefits Act 1992];

^{F14} ...

and other expressions used in this Part and in [F15the Housing Benefit Regulations [F16or the Housing Benefit (State Pension Credit) Regulations], as the case may be, shall have the same meanings in this Part as they have in those Regulations.

(2) In this Part

“qualifying expenditure” means, in relation to an authority, the total of [F17housing benefit], including any payments under [F18regulation 93] of the Housing Benefit Regulations [F19and regulation 74 of the Housing Benefit (State Pension Credit) Regulations] (payments on account of a rent allowance)^{M7} and any extended payments, lawfully paid [F20or treated as lawfully paid under paragraph (3)] by the authority during the relevant year, less—

- (a) the deduction, if any, calculated for that authority in article 15 [F21or 15A];
- (b) any deductions specified in article 19 relevant to that authority, and
- (c) where, under [F22section 134(8) (arrangements for housing benefit) of the Act], the authority has modified any part of a scheme it administers, any amount by which the total of [F17housing benefit] paid under that scheme during the relevant year by it exceeds the total it would have paid if the scheme had not been so modified.

[F23(3) An amount of [F24housing benefit] which—

- (a) would fall to be paid in the relevant year for a period in a preceding year; and
- (b) is not paid by virtue of [F25regulation 98 or 102 of the Housing Benefit Regulations or, as the case may be, regulation 79 or 83 of the Housing Benefit (State Pension Credit) Regulations] (offsetting and method of recovery) on the ground that an overpayment of benefit was made in that preceding year for that period,

shall be treated as lawfully paid in the relevant year for that period.]]

Textual Amendments

- F1** Words in art. 11(1) inserted (25.9.2000) by The Income-related Benefits (Subsidy to Authorities) Amendment (No. 2) Order 2000 (S.I. 2000/2340, art. 1, 2(a)(i))
- F2** Words in art. 11(1) substituted (6.3.2006) by [The Housing Benefit and Council Tax Benefit \(Consequential Provisions\) Regulations 2006 \(S.I. 2006/217\)](#), reg. 1(1), **Sch. 2 para. 13(2)(a)(i)** (with regs. 2, 3, Schs. 3, Sch. 4)
- F3** Words in art. 11(1) inserted (25.9.2000) by The Income-related Benefits (Subsidy to Authorities) Amendment (No. 2) Order 2000 (S.I. 2000/2340, art. 1, 2(a)(i))
- F4** Words in art. 11 omitted (9.11.2015) by virtue of [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2015 \(S.I. 2015/1784\)](#), arts. 1(1), **5(2)(a)**
- F5** Words in art. 11(1) inserted (with effect in accordance with art. 1(3) of the commencing S.I.) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2011 \(S.I. 2011/2957\)](#), arts. 1(1), **4(2)**

- F6** Words in art. 11(1) omitted (31.10.2021) by virtue of The Income-related Benefits (Subsidy to Authorities) and Discretionary Housing Payments (Grants) Amendment Order 2021 (S.I. 2021/1031), art. 1(1), **Sch. 5 para. 6(a)(i)**
- F7** Words in art. 11(1) substituted (6.3.2006) by The Housing Benefit and Council Tax Benefit (Consequential Provisions) Regulations 2006 (S.I. 2006/217), reg. 1(1), **Sch. 2 para. 13(2)(a)(iv)** (with regs. 2, 3, Schs. 3, Sch. 4)
- F8** Words in art. 11(1) inserted (6.3.2006) by The Housing Benefit and Council Tax Benefit (Consequential Provisions) Regulations 2006 (S.I. 2006/217), reg. 1(1), **Sch. 2 para. 13(2)(a)(v)** (with regs. 2, 3, Schs. 3, Sch. 4)
- F9** Words in art. 11 omitted (9.11.2015) by virtue of The Income-related Benefits (Subsidy to Authorities) Amendment Order 2015 (S.I. 2015/1784), arts. 1(1), **5(2)(b)**
- F10** Words in art. 11(1) omitted (31.10.2021) by virtue of The Income-related Benefits (Subsidy to Authorities) and Discretionary Housing Payments (Grants) Amendment Order 2021 (S.I. 2021/1031), art. 1(1), **Sch. 5 para. 6(a)(ii)**
- F11** Words in art. 11(1) omitted (1.4.2004) by virtue of Income-related Benefits (Subsidiary to Authorities) Amendment Order 2004 (S.I. 2004/646), art. 1(1), **Sch. 1 para. 4**
- F12** Words in art. 11(1) omitted (31.10.2021) by virtue of The Income-related Benefits (Subsidy to Authorities) and Discretionary Housing Payments (Grants) Amendment Order 2021 (S.I. 2021/1031), art. 1(1), **Sch. 5 para. 6(a)(iii)**
- F13** Words in art. 11(1) substituted (10.5.2000 with effect in accordance with art. 1(3)) by The Income-related Benefits (Subsidy to Authorities) Amendment Order 2000 (S.I. 2000/1091), arts. 1, **4(1)**
- F14** Words in art. 11(1) omitted (with effect in accordance with art. 1(2) of the commencing S.I.) by virtue of Income-related Benefits (Subsidy to Authorities) Amendment Order 2006 (S.I. 2006/54), arts. 1(1), **3(2)(a)**
- F15** Words in art. 11(1) substituted (6.3.2006) by The Housing Benefit and Council Tax Benefit (Consequential Provisions) Regulations 2006 (S.I. 2006/217), reg. 1(1), **Sch. 2 para. 13(2)(a)(vi)** (with regs. 2, 3, Schs. 3, Sch. 4)
- F16** Words in art. 11 substituted (31.10.2021) by The Income-related Benefits (Subsidy to Authorities) and Discretionary Housing Payments (Grants) Amendment Order 2021 (S.I. 2021/1031), art. 1(1), **Sch. 5 para. 6(a)(iv)**
- F17** Words in art. 11(2) substituted (31.10.2021) by The Income-related Benefits (Subsidy to Authorities) and Discretionary Housing Payments (Grants) Amendment Order 2021 (S.I. 2021/1031), art. 1(1), **Sch. 5 para. 6(b)(i)**
- F18** Words in art. 11(2) substituted (6.3.2006) by The Housing Benefit and Council Tax Benefit (Consequential Provisions) Regulations 2006 (S.I. 2006/217), reg. 1(1), **Sch. 2 para. 13(2)(b)** (with regs. 2, 3, Schs. 3, Sch. 4)
- F19** Words in art. 11(2) inserted (6.3.2006) by The Housing Benefit and Council Tax Benefit (Consequential Provisions) Regulations 2006 (S.I. 2006/217), reg. 1(1), **Sch. 2 para. 13(2)(b)** (with regs. 2, 3, Schs. 3, Sch. 4)
- F20** Words in art. 11(2) inserted (25.9.2000) by The Income-related Benefits (Subsidy to Authorities) Amendment (No. 2) Order 2000 (S.I. 2000/2340, art. 1, 2(a)(ii))
- F21** Words in art. 11(2) inserted (with effect in accordance with art. 1(2) of the commencing S.I.) by Income-related Benefits (Subsidy to Authorities) Amendment Order 2006 (S.I. 2006/54), arts. 1(1), **3(2)(b)**
- F22** Words in art. 11(2) substituted (31.10.2021) by The Income-related Benefits (Subsidy to Authorities) and Discretionary Housing Payments (Grants) Amendment Order 2021 (S.I. 2021/1031), art. 1(1), **Sch. 5 para. 6(b)(ii)**
- F23** Art. 11(3) inserted (25.9.2000) by The Income-related Benefits (Subsidy to Authorities) Amendment (No. 2) Order 2000 (S.I. 2000/2340, art. 1, 2(a)(iii))
- F24** Words in art. 11(3) substituted (31.10.2021) by The Income-related Benefits (Subsidy to Authorities) and Discretionary Housing Payments (Grants) Amendment Order 2021 (S.I. 2021/1031), art. 1(1), **Sch. 5 para. 6(c)**

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F25 Words in art. 11(3) substituted (6.3.2006) by The Housing Benefit and Council Tax Benefit (Consequential Provisions) Regulations 2006 (S.I. 2006/217) , reg. 1(1) , Sch. 2 para. 13(2)(c) (with regs. 2 , 3 , Schs. 3 , Sch. 4)

Marginal Citations

- M1** S.I. 1987/1967 ; relevant amending instruments are S.I. 1988/663 , 1445, 2022, 1989/1678, 1992/3147 and 1993/2119.
- M2** See the meaning of “relevant benefit” in section 140B(2) of the Social Security Administration Act 1992, inserted by paragraph 4 of Schedule 12 to the Housing Act 1996 (c.52).
- M3** S.I. 1997/1984 .
- M4** S.I. 1997/1995 .
- M5** S.I. 1995/1642 , amended by S.I. 1995/2365 , 3148, 1996/959, 1997/1000 and 1984.
- M6** S.I. 1995/1643 , amended by S.I.1995/2361 , 3185, 1996/975, 1997/1003 and 1995.
- M7** Regulation 91 was amended by S.I. 1995/2868 .

Amount of subsidy

12.—^{F26}(1) Subject to paragraph (2), the amount of an authority’s subsidy for the relevant year is the sum of the following—

- (a) the amount of subsidy calculated in accordance with article 13;
- (b) for an authority identified in column (1) of Schedule 1 (sums to be used in the calculation of subsidy), the amount in respect of the costs of administering the ^{F27}housing benefit] specified in column (2) of that Schedule for that authority;
- ^{F28}(bza) the additional amount specified by Schedule 1ZB (additional amount of subsidy: verify earnings and pension alerts service); and]
- ^{F29}(bzb) any additional amount specified by Schedule 1ZC (additional amount of subsidy: Housing Benefit Award Accuracy Initiative);]
- ^{F30}(ba)
- ^{F31}(c)
- (d) for an authority which has modified any part of a scheme it administers in recognition of the operation of a local scheme under section 134(8) of the Act (arrangements for housing benefit), the additional amount calculated in accordance with paragraph (4).]

^{F32}(2) Subject to paragraph (3), any sum paid after 1st April 1997 by way of subsidy in respect of an overpayment of ^{F33}housing benefit] shall be deducted from any amount of subsidy which would otherwise fall to be paid in respect of any payment of benefit which is treated, in accordance with paragraph 11(3), as made for the same period as that overpayment.

(3) A deduction shall not be made under paragraph (2) where the sum already paid by way of subsidy is greater than the amount which would fall to be paid.]

^{F34}(4) For the purposes of sub-paragraph ^{F35}(1)(d)], the additional amount will be 0.2 per cent of the amount or total of amounts calculated in accordance with article 13 but will not exceed 75 per cent of the cost of the total of ^{F36}housing benefit] paid under the scheme.]

Textual Amendments

F26 Art. 12(1) substituted (with effect in accordance with art. 1(3) of the commencing S.I.) by The Income-related Benefits (Subsidy to Authorities) Amendment Order 2015 (S.I. 2015/1784), arts. 1(1), 2(2)(a)

- F27** Words in art. 12(1)(b) substituted (31.10.2021) by The Income-related Benefits (Subsidy to Authorities) and Discretionary Housing Payments (Grants) Amendment Order 2021 (S.I. 2021/1031), art. 1(1), **Sch. 5 para. 7**
- F28** Art. 12(1)(bza) inserted (with effect in accordance with art. 1(3) of the amending S.I.) by The Income-related Benefits (Subsidy to Authorities) Amendment Order 2018 (S.I. 2018/985), arts. 1(1), **3(1)(a)**
- F29** Art. 12(bzb) inserted (with effect in accordance with art. 2(2) of the amending S.I.) by The Income-related Benefits (Subsidy to Authorities) and Discretionary Housing Payments (Grants) Amendment Order 2021 (S.I. 2021/1031), arts. 1(1), **4(1)**
- F30** Art. 12(1)(ba) omitted (with effect in accordance with art. 1(4) of the amending S.I.) by virtue of The Income-related Benefits (Subsidy to Authorities) Amendment Order 2018 (S.I. 2018/985), arts. 1(1), **3(1)(b)**
- F31** Art. 12(1)(c) omitted (26.10.2017) by virtue of The Income-related Benefits (Subsidy to Authorities) Amendment Order 2017 (S.I. 2017/900), **art. 2(2)(b)**, reg. 1
- F32** Art. 12(2)(3) inserted (25.9.2000) by The Income-related Benefits (Subsidy to Authorities) Amendment (No. 2) Order 2000 (S.I. 2000/2340), arts 1, 2(b)(ii)
- F33** Words in art. 12(2) substituted (31.10.2021) by The Income-related Benefits (Subsidy to Authorities) and Discretionary Housing Payments (Grants) Amendment Order 2021 (S.I. 2021/1031), art. 1(1), **Sch. 5 para. 7**
- F34** Art. 12(4) inserted (with effect in accordance with art. 1(2) of the commencing S.I.) by Income-related Benefits (Subsidy to Authorities) Amendment Order 2006 (S.I. 2006/54) , arts. 1(1) , **3(3)(b)**
- F35** Word in art. 12(4) substituted (with effect in accordance with art. 1(3) of the commencing S.I.) by The Income-related Benefits (Subsidy to Authorities) Amendment Order 2015 (S.I. 2015/1784), arts. 1(1), **2(2)(b)**
- F36** Words in art. 12(4) substituted (31.10.2021) by The Income-related Benefits (Subsidy to Authorities) and Discretionary Housing Payments (Grants) Amendment Order 2021 (S.I. 2021/1031), art. 1(1), **Sch. 5 para. 7**

[^{F37}Housing benefit]

- 13.—^{F38}(1) [^{F39}The amount of subsidy payable under article 12(1)(a)] shall ^{F40} ... be—
- (a) in the case of any authority to which none of articles 14, 16^{F41}, 17^{F42}, 17A, 17B and 17C] applies, an amount equal to ^{F43}100 per cent. of its qualifying expenditure attributable to expenditure in respect of housing benefit].
 - (b) in the case of any authority to which at least one of those articles applies an amount equal to the aggregate of—
 - (i) ^{F44}100 per cent]. of so much of its qualifying expenditure attributable to expenditure in respect of housing benefit as remains after deducting from that expenditure the amount of expenditure attributable to housing benefit to which each of those articles which is relevant applies; [^{F45}and]
 - ^{F46}(ii)
 - (iii) the appropriate amount calculated ^{F47} ... under each such article,
 plus, in each case, the additions, where applicable, under [^{F48}^{F49} article 18] but subject, in each case, to the deductions, where applicable, under articles 20 and 20A].]
- ^{F50}(2)
- ^{F51}(3)

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Textual Amendments

- F37** Art. 13 heading substituted (31.10.2021) by [The Income-related Benefits \(Subsidy to Authorities\) and Discretionary Housing Payments \(Grants\) Amendment Order 2021 \(S.I. 2021/1031\)](#), art. 1(1), **Sch. 5 para. 8(2)**
- F38** Art. 13(1) substituted (10.5.2000 with effect in accordance with art. 1(3)) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2000 \(S.I. 2000/1091\)](#), arts. 1, **4(2)**
- F39** Words in art. 13(1) substituted (with effect in accordance with art. 1(3) of the commencing S.I.) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2015 \(S.I. 2015/1784\)](#), arts. 1(1), **2(3)**
- F40** Words in art. 13(1) omitted (with effect in accordance with art. 1(2) of the commencing S.I.) by virtue of [Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2003 \(S.I. 2003/3179\)](#), arts. 1(1), **4(a)**
- F41** Words in art. 13(1)(a) substituted (with effect in accordance with art. 1(4) of the commencing S.I.) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2010 \(S.I. 2010/2481\)](#), arts. 1(1), **5(2)**
- F42** Words in art. 13(1)(a) substituted (1.4.2011) by [Income-related Benefits \(Subsidy to Authorities\) \(Temporary Accommodation\) Amendment Order 2010 \(S.I. 2010/2509\)](#), arts. 1, **2(2)**
- F43** Words in art. 13(1)(a) substituted (31.10.2021) by [The Income-related Benefits \(Subsidy to Authorities\) and Discretionary Housing Payments \(Grants\) Amendment Order 2021 \(S.I. 2021/1031\)](#), art. 1(1), **Sch. 5 para. 8(3)(a)**
- F44** Words in art. 13(1)(b)(i) substituted (with effect in accordance with art. 1(2) of the commencing S.I.) by [Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2006 \(S.I. 2006/54\)](#), arts. 1(1), **3(4)(a)**
- F45** Word in art. 13(1)(b)(i) inserted (31.10.2021) by [The Income-related Benefits \(Subsidy to Authorities\) and Discretionary Housing Payments \(Grants\) Amendment Order 2021 \(S.I. 2021/1031\)](#), art. 1(1), **Sch. 5 para. 8(3)(b)(i)**
- F46** Art. 13(1)(b)(ii) omitted (31.10.2021) by virtue of [The Income-related Benefits \(Subsidy to Authorities\) and Discretionary Housing Payments \(Grants\) Amendment Order 2021 \(S.I. 2021/1031\)](#), art. 1(1), **Sch. 5 para. 8(3)(b)(ii)**
- F47** Words in art. 13(1)(b)(iii) omitted (31.10.2021) by virtue of [The Income-related Benefits \(Subsidy to Authorities\) and Discretionary Housing Payments \(Grants\) Amendment Order 2021 \(S.I. 2021/1031\)](#), art. 1(1), **Sch. 5 para. 8(3)(b)(iii)**
- F48** Words in art. 13(1) substituted (with effect in accordance with art. 1(2) of the commencing S.I.) by [Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2005 \(S.I. 2005/369\)](#), arts. 1(1), **4(3)**
- F49** Words in art. 13 substituted (with effect in accordance with art. 1(2) of the commencing S.I.) by [Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2008 \(S.I. 2008/196\)](#), arts. 1(1), **2(2)**
- F50** Art. 13(2) omitted (2.1.2004 with effect in accordance with art. 1(2)) by virtue of [Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2003 \(S.I. 2003/3179\)](#), arts. 1(1), **4(b)**
- F51** Art. 13(3) omitted (with effect in accordance with art. 1(2) of the commencing S.I.) by virtue of [Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2006 \(S.I. 2006/54\)](#), arts. 1(1), **3(4)(c)**

Backdated benefit

14.—(1) Subject to [^{F52}paragraphs (2) and (3)], where—

- (a) during the relevant year an authority has, under [^{F53}regulation 83(12) of the Housing Benefit Regulations or, as the case may be, regulation 64(13) of the Housing Benefit (State

Pension Credit) Regulations^{F54}...] (time and manner of claiming)^{M8}, treated any claim as made on a day earlier than that on which it is made; and

(b) any part of that authority's qualifying expenditure is attributable to such earlier period, for the purposes of [^{F55}article 13(1)(b)(iii)], the appropriate amount for the relevant year in respect of such part shall be [^{F56}100 per cent]. of the qualifying expenditure so attributable.

(2) This article shall not apply in [^{F57}in relation to expenditure to which [^{F58}article 17(2), 17A(2)][^{F59}, 17B(2), 17C(2)] or 18(1)(b)(iii)] or paragraph 6 of Schedule 4 applies.

^{F60}(3)

Textual Amendments

- F52** Words in art. 14(1) substituted (with effect in accordance with art. 1(3) of the commencing S.I.) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment \(No. 2\) Order 2013 \(S.I. 2013/2989\)](#), art. 1, **art. 3(1)(a)**
- F53** Words in art. 14(1)(a) substituted (6.3.2006) by [The Housing Benefit and Council Tax Benefit \(Consequential Provisions\) Regulations 2006 \(S.I. 2006/217\)](#), reg. 1(1), **Sch. 2 para. 13(3)** (with regs. 2, 3, Schs. 3, Sch. 4)
- F54** Words in art. 14(1) omitted (31.10.2021) by virtue of [The Income-related Benefits \(Subsidy to Authorities\) and Discretionary Housing Payments \(Grants\) Amendment Order 2021 \(S.I. 2021/1031\)](#), art. 1(1), **Sch. 5 para. 9(a)**
- F55** Words in art. 14(1) substituted (25.7.2001) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2001 \(S.I. 2001/2350\)](#), arts. 1(1), **3**
- F56** Words in art. 14(1)(b) substituted (with effect in accordance with art. 1(2) of the commencing S.I.) by [Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2006 \(S.I. 2006/54\)](#), arts. 1(1), **3(5)(a)**
- F57** Words in art. 14(2) substituted (with effect in accordance with art. 1(2) of the commencing S.I.) by [Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2005 \(S.I. 2005/369\)](#), arts. 1(1), **4(4)**
- F58** Words in art. 14(2) substituted (1.4.2010) by [Income-related Benefits \(Subsidy to Authorities\) \(Temporary Accommodation\) Amendment Order 2009 \(S.I. 2009/2580\)](#), arts. 1, **2(2)**
- F59** Words in art. 14(2) inserted (1.4.2011) by [Income-related Benefits \(Subsidy to Authorities\) \(Temporary Accommodation\) Amendment Order 2010 \(S.I. 2010/2509\)](#), arts. 1, **2(3)**
- F60** Art. 14(3) omitted (31.10.2021) by virtue of [The Income-related Benefits \(Subsidy to Authorities\) and Discretionary Housing Payments \(Grants\) Amendment Order 2021 \(S.I. 2021/1031\)](#), art. 1(1), **Sch. 5 para. 9(b)**

Marginal Citations

- M8** Regulations 72(15) and 62(16) were amended by [S.I. 1996/462](#).

Disproportionate rent increase

15.—(1) Except where paragraph (5), (6) or (7) applies, in the case of an authority in Scotland, whose average rent increase differential, as calculated in accordance with paragraph (2) ("the proportion"), has a value greater than zero, the deduction from qualifying expenditure specified in article 11(2)(a) shall be the proportion multiplied by the sum calculated for that authority in accordance with paragraph (4).

(2) The average rent increase differential for each authority shall be calculated by applying the formula—

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$$(1 + A) \times \left(\frac{B}{C} \times \frac{D}{E} \right) - 1$$

where A, B, C, D and E each has the value determined in accordance with paragraph (3).

(3) For the purposes of paragraph (2)—

- (a) the value of A shall be the proportion calculated for that authority pursuant to paragraphs (3) and (4) of—
 - (i) in relation to the relevant year commencing on 1st April 1997, article 6 of the 1997 Order, or
 - (ii) in relation to a relevant year commencing on or after 1st April 1998, this article of this Order for the year immediately preceding the relevant year;
- (b) the value of B shall be the average rent charged by the authority in respect of Category 1 dwellings on the final date;
- (c) the value of C shall be the average rent charged by the authority in respect of Category 1 dwellings on the initial date;
- (d) the value of D shall be the average rent charged by the authority in respect of Category 2 dwellings on the initial date; and
- (e) the value of E shall be the average rent charged by the authority in respect of Category 2 dwellings on the final date.

(4) The sum referred to in paragraph (1) shall be that part of qualifying expenditure attributable to rebates granted during the relevant year before any deduction by reason of this article, but less any part of such expenditure to which [^{F61}article 13(1)(b)(iii)] applies.

(5) Subject to paragraph (6), this article shall not apply in the case of an authority—

- (a) which has—
 - (i) set the rent for the relevant year according to the type, condition, class or description of the dwellings and the services, facilities or rights provided to the tenants, where that rent is reasonable having regard to those matters;
 - (ii) not taken account of whether a tenant was a beneficiary when setting rents for the relevant year, and
 - (iii) not let dwellings, either in the relevant year or in either of the two previous years, to beneficiaries irrespective of their housing needs;

or

(b) where—

- (i) any increases in rent between the initial date and 1st April in the following year were of the same percentage and applied on the same day to all tenants irrespective of whether they were beneficiaries, and
- (ii) the average rent increase differential calculated in accordance with—
 - (aa) in relation to the relevant year commencing on 1st April 1997, article 6 of the 1997 Order; or
 - (bb) in relation to a relevant year commencing on or after 1st April 1998, this article of this Order for the year immediately preceding the relevant year, for that authority had a value which was zero or less than zero.

(6) In the case of a new authority, sub-paragraph (a)(iii) of paragraph (5) shall be modified so that, in relation to the relevant year commencing on 1st April 1997, for the words “or in either of the two previous years” there shall be substituted the words “ or in the previous year ”.

[^{F62}(7) This article shall not apply in a case to which article 17 or 17A (subsidy in respect of temporary or short term accommodation) applies.]

(8) In this article (and, in the case of the meaning ascribed to the word “beneficiary”, also in article 19(2))—

“average” means the arithmetic mean;

“beneficiary” means a person who is entitled or likely to become entitled to a rebate;

“Category 1 dwellings” means dwellings rented out by the authority, on both the initial date and the final date, in respect of which, on the final date, the persons liable to pay such rent were in receipt of rebates;

“Category 2 dwellings” means dwellings rented out by the authority, on both the initial date and the final date, in respect of which, on the final date, the persons liable to pay such rent were not in receipt of rebates;

“final date” means the last day of the relevant year;

“initial date” means the day before the relevant year; and

“rent” means either—

- (a) the payments specified in [^{F63}sub-paragraphs (a) to (j) in paragraph (1) of regulation 12 of the Housing Benefit Regulations or, as the case may be, sub-paragraphs (a) to (j) in paragraph (1) of regulation 12 of the Housing Benefit (State Pension Credit) Regulations]; or
- (b) the eligible rent,

as the authority may determine, provided that wherever the expression “rent” occurs in paragraph (3) it has the same meaning throughout in relation to that authority.

Textual Amendments

- F61** Words in art. 15(4) substituted (25.7.2001) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2001 \(S.I. 2001/2350\)](#) , arts. 1(1) , **3**
- F62** Art. 15(7) substituted (1.4.2011) by [Income-related Benefits \(Subsidy to Authorities\) \(Temporary Accommodation\) Amendment Order 2010 \(S.I. 2010/2509\)](#), arts. 1, **2(4)**
- F63** Words in art. 15(8) substituted (6.3.2006) by [The Housing Benefit and Council Tax Benefit \(Consequential Provisions\) Regulations 2006 \(S.I. 2006/217\)](#) , reg. 1(1) , **Sch. 2 para. 13(4)** (with regs. 2 , 3 , Schs. 3 , Sch. 4)

[^{F64}Disproportionate rent increase – Wales

15A.—(1) Subject to paragraphs (5) to (7), in the case of an authority in Wales whose average rent increase differential, as calculated in accordance with paragraph (2) (“the proportion”), has a value greater than zero, the deduction from qualifying expenditure specified in article 11(2)(a) shall be the proportion multiplied by the sum calculated for that authority in accordance with paragraph (4).

(2) The average rent increase differential for each authority shall be calculated by applying the formula—

$$(1+A) \times (BC \times DE) - 1$$

where A, B, C, D and E each has the value determined in accordance with paragraph (3).

Status: Point in time view as at 31/10/2021.

Changes to legislation: There are currently no known outstanding effects for the The Income-related Benefits (Subsidy to Authorities) Order 1998, PART III. (See end of Document for details)

- (3) For the purposes of paragraph (2)—
- (a) the value of A shall be the proportion calculated for that authority pursuant to that paragraph for the year immediately preceding the relevant year;
 - (b) the value of B shall be the average rent charged by the authority in respect of Category 1 dwellings on the final date;
 - (c) the value of C shall be the average rent charged by the authority in respect of Category 1 dwellings on the initial date;
 - (d) the value of D shall be the average rent charged by the authority in respect of Category 2 dwellings on the initial date; and
 - (e) the value of E shall be the average rent charged by the authority in respect of Category 2 dwellings on the final date.
- (4) The sum referred to in paragraph (1) shall be that part of qualifying expenditure attributable to rebates granted during the relevant year before any deduction by reason of this article, but less any part of such expenditure to which article 13(1)(b)(iii) applies.
- (5) This article shall not apply in the case of an authority—
- (a) which has—
 - (i) set the rent for the relevant year according to the type, condition, class or description of the dwellings and the services, facilities or rights provided to the tenants, where that rent is reasonable having regard to those matters,
 - (ii) not taken account of whether a tenant was a beneficiary when setting rents for the relevant year, and
 - (iii) not let dwellings, either in the relevant year or in either of the two previous years, to beneficiaries irrespective of their housing needs; or
 - (b) where—
 - (i) any increases in rent between the initial date and 1st April in the following year were of the same percentage and applied on the same day to all tenants irrespective of whether they were beneficiaries, and
 - (ii) the average rent increase differential calculated in accordance with paragraph (2) for the year immediately preceding the relevant year, for that authority had a value which was zero or less than zero.
- (6) Where the relevant year is the year beginning on 1st April 2004—
- (a) paragraph (3)(a) shall have effect as if, for the words from “the proportion” to “the relevant year” there were substituted “equal to the value of G calculated for that authority for the purposes of paragraph 6.5.1 of the 2003-04 Determination;”, and
 - (b) paragraph (5)(b)(ii) shall have effect as if, for the words from “average” to “relevant year” there were substituted “value of G calculated for the purposes of paragraph 6.5.1 of the 2003-04 Determination”.
- [^{F65}(7) This article shall not apply in a case to which article 17 or 17A (subsidy in respect of temporary or short term accommodation) applies.]
- (8) In this article—
- “average” means the arithmetic mean;
- “beneficiary” means a person who is entitled or likely to become entitled to a rebate;
- “Category 1 dwellings” means dwellings rented out by the authority, on both the initial date and the final date, in respect of which, on the final date, the persons liable to pay such rent were in receipt of rebates;

“Category 2 dwellings” means dwellings rented out by the authority, on both the initial date and the final date, in respect of which, on the final date, the persons liable to pay such rent were not in receipt of rebates;

“2003-04 Determination” means the Housing Revenue Account Subsidy (Wales) Determination 2003-04;

“final date” means the last day of the relevant year;

“initial date” means the day before the first day of the relevant year; and

“rent” means either—

(a) the payments specified in sub-paragraphs (a) to (i) in paragraph (1) of [F66]regulation 12 of the Housing Benefit Regulations or, as the case may be, regulation 12 of the Housing Benefit (State Pension Credit) Regulations] (rent); or

(b) the eligible rent,

as the authority may determine, provided that wherever the expression “rent” occurs in paragraph (3) it has the same meaning throughout in relation to that authority.]

Textual Amendments

F64 Art. 15A inserted (with effect in accordance with art. 1(2) of the commencing S.I.) by [Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2005 \(S.I. 2005/369\)](#) , arts. 1(1) , **4(5)**

F65 Art. 15A(7) substituted (1.4.2011) by [Income-related Benefits \(Subsidy to Authorities\) \(Temporary Accommodation\) Amendment Order 2010 \(S.I. 2010/2509\)](#), arts. 1, **2(4)**

F66 Words in art. 15A(8) substituted (6.3.2006) by [The Housing Benefit and Council Tax Benefit \(Consequential Provisions\) Regulations 2006 \(S.I. 2006/217\)](#) , reg. 1(1) , **Sch. 2 para. 13(5)** (with regs. 2 , 3 , Schs. 3 , Sch. 4)

Treatment of high rents in rent allowance cases

16.—(1) Except in a case to which article 14 (backdated benefit)[F67, 17B or 17C (subsidy in respect of accommodation provided by a registered housing association as temporary or short term accommodation)] applies, and subject to paragraphs (2), F68... and (4) and to article 23 (transitional provisions in relation to rent officer determinations), this article applies in a rent allowance case and, where this article applies, the appropriate amount, for the purposes of [F69]article 13(1)(b)(iii)], shall be calculated in accordance with Part II of Schedule 4.

(2) This article shall not apply where a dwelling is an excluded tenancy by virtue of -

[F70(a) paragraph 1 and any of paragraphs 3 to 11 of Schedule 2 to the Housing Benefit Regulations (excluded tenancies); or

(b) paragraph 1 and any of paragraphs 3 to 11 of Schedule 2 to the Housing Benefit (State Pension Credit) Regulations] (excluded tenancies)]

F71(3)

(4) This article shall not apply in a case where a maximum rent has been determined, except where—

F72(a)

F73(b)

(c) [F74]regulation 13(14) of the Housing Benefit Regulations or, as the case may be, regulation 13(14) of the Housing Benefit (State Pension Credit) Regulations] (no

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maximum rent for first 13 weeks) applies, when the appropriate amount shall be calculated in respect of the first 13 weeks in accordance with paragraph 15 of Schedule 4.

(5) Expressions used in this article and in Schedule 4 have the same meanings in this article as they have in that Schedule.

Textual Amendments

- F67** Words in art. 16(1) inserted (1.4.2011) by [Income-related Benefits \(Subsidy to Authorities\) \(Temporary Accommodation\) Amendment Order 2010 \(S.I. 2010/2509\)](#), arts. 1, **2(5)**
- F68** Word in art. 16(1) omitted (with effect in accordance with art. 1(2) of the commencing S.I.) by virtue of [Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2006 \(S.I. 2006/54\)](#), arts. 1(1), **3(6)(a)**
- F69** Words in art. 16(1) substituted (25.7.2001) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2001 \(S.I. 2001/2350\)](#), arts. 1(1), **3**
- F70** Art. 16(2)(a)(b) substituted (6.3.2006) by [The Housing Benefit and Council Tax Benefit \(Consequential Provisions\) Regulations 2006 \(S.I. 2006/217\)](#), reg. 1(1), **Sch. 2 para. 13(6)(a)** (with regs. 2, 3, Schs. 3, Sch. 4)
- F71** Art. 16(3) omitted (with effect in accordance with art. 1(2) of the commencing S.I.) by virtue of [Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2006 \(S.I. 2006/54\)](#), arts. 1(1), **3(6)(c)**
- F72** Art. 16(4)(a) omitted (31.10.2021) by virtue of [The Income-related Benefits \(Subsidy to Authorities\) and Discretionary Housing Payments \(Grants\) Amendment Order 2021 \(S.I. 2021/1031\)](#), art. 1(1), **Sch. 5 para. 10**
- F73** Art. 16(4)(b) omitted (with effect in accordance with art. 1(3) of the commencing S.I.) by virtue of [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2011 \(S.I. 2011/2957\)](#), arts. 1(1), **4(3)**
- F74** Words in art. 16(4)(c) substituted (6.3.2006) by [The Housing Benefit and Council Tax Benefit \(Consequential Provisions\) Regulations 2006 \(S.I. 2006/217\)](#), reg. 1(1), **Sch. 2 para. 13(6)(b)(ii)** (with regs. 2, 3, Schs. 3, Sch. 4)

^[F75]^[F76]**Subsidy in respect of non self-contained licensed accommodation, and board and lodging accommodation, provided by an authority as temporary or short term accommodation]**

17.—(1) ^[F77]This article applies where—

- (a) a rent rebate is payable by an authority;
- (b) a person (“P”) is required to pay the authority for—
 - (i) board and lodging accommodation; or
 - (ii) accommodation which is not self-contained and which the authority has a right to use under an agreement, other than a lease, with a third party; and
- (c) the authority makes the accommodation available to P—
 - (i) to discharge any of its functions under Part 3 of the Housing Act 1985, Part 7 of the Housing Act 1996^[F78], Part 2 of the Housing (Wales) Act 2014] or Part 2 of the Housing (Scotland) Act 1987, as the case may be; or
 - (ii) to prevent P being or becoming homeless within the meaning of Part 7 of the Housing Act 1996^[F79], Part 2 of the Housing (Wales) Act 2014 or] Part 2 of the Housing (Scotland) Act 1987^[F80], as the case may be] .]

(2) Where this article applies the appropriate amount is ^[F81]the lowest] of—

- (a) the amount of housing benefit entitlement in a week or part week, as the case may be; or
- (b) the maximum amount determined in accordance with paragraph (3); ^{F82}or
- (c) ^{F83} ... £500 where the dwelling is located in a broad rental market area listed in Schedule 8 (broad rental market areas in London) or £375 where the dwelling is located in any other broad rental market area.]

(3) The maximum amount referred to in paragraph (2) is the local housing allowance for January ^{F84}2011] for the category specified in paragraph 1(1)(b) of Schedule 3B to the Rent Officers Order which is applicable to the broad rental market area in which the accommodation is situated.

^{F85}(3A)

(4) For the purposes of this article and ^{F86}articles 17A, 17B and 17C], accommodation is self-contained if P's household is not required to share one or more of the following with another household—

- (a) a kitchen;
- (b) a toilet;
- (c) a bathroom.

(5) In this article and ^{F87}articles 17A, 17B and 17C]—

“broad rental market area” has the meaning specified in paragraph 4 of Schedule 3B to the Rent Officers Order; and

“local housing allowance” means an allowance determined in accordance with paragraph 2 of Schedule 3B to the Rent Officers Order.

Textual Amendments

- F75** Arts. 17-17A substituted for art. 17 (1.4.2010) by [Income-related Benefits \(Subsidy to Authorities\) \(Temporary Accommodation\) Amendment Order 2009 \(S.I. 2009/2580\)](#), arts. 1, **2(3)**
- F76** Art. 17 heading substituted (1.4.2011) by [Income-related Benefits \(Subsidy to Authorities\) \(Temporary Accommodation\) Amendment Order 2010 \(S.I. 2010/2509\)](#), arts. 1, **2(6)**
- F77** Art. 17(1) substituted (1.4.2011) by [Income-related Benefits \(Subsidy to Authorities\) \(Temporary Accommodation\) Amendment Order 2010 \(S.I. 2010/2509\)](#), arts. 1, **2(7)(a)**
- F78** Words in art. 17(1)(c)(i) inserted (with effect in accordance with art. 1(4) of the amending S.I.) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2016 \(S.I. 2016/986\)](#), arts. 1(1), **4(2)(a)**
- F79** Words in art. 17(1)(c)(ii) substituted (with effect in accordance with art. 1(4) of the amending S.I.) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2016 \(S.I. 2016/986\)](#), arts. 1(1), **4(2)(b)(i)**
- F80** Words in art. 17(1)(c)(ii) inserted (with effect in accordance with art. 1(4) of the amending S.I.) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2016 \(S.I. 2016/986\)](#), arts. 1(1), **4(2)(b)(ii)**
- F81** Words in art. 17(2) substituted (with effect in accordance with art. 1(4) of the commencing S.I.) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2010 \(S.I. 2010/2481\)](#), arts. 1(1), **5(4)(a)(i)**
- F82** Art. 17(2)(c) and word added (with effect in accordance with art. 1(4) of the commencing S.I.) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2010 \(S.I. 2010/2481\)](#), arts. 1(1), **5(4)(a)(ii)**
- F83** Words in art. 17(2)(c) omitted (1.4.2011) by virtue of [Income-related Benefits \(Subsidy to Authorities\) \(Temporary Accommodation\) Amendment Order 2010 \(S.I. 2010/2509\)](#), arts. 1, **2(7)(b)**
- F84** Word in art. 17(3) substituted (1.4.2011) by [Income-related Benefits \(Subsidy to Authorities\) \(Temporary Accommodation\) Amendment Order 2010 \(S.I. 2010/2509\)](#), arts. 1, **2(7)(c)**

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- F85** Art. 17(3A) omitted (1.4.2011) by virtue of [Income-related Benefits \(Subsidy to Authorities\) \(Temporary Accommodation\) Amendment Order 2010 \(S.I. 2010/2509\)](#), arts. 1, [2\(7\)\(d\)](#)
- F86** Words in art. 17(4) substituted (1.4.2011) by [Income-related Benefits \(Subsidy to Authorities\) \(Temporary Accommodation\) Amendment Order 2010 \(S.I. 2010/2509\)](#), arts. 1, [2\(7\)\(e\)](#)
- F87** Words in art. 17(5) substituted (1.4.2011) by [Income-related Benefits \(Subsidy to Authorities\) \(Temporary Accommodation\) Amendment Order 2010 \(S.I. 2010/2509\)](#), arts. 1, [2\(7\)\(f\)](#)

[^{F88}Subsidy in respect of self-contained licensed accommodation, and leased accommodation, provided by an authority as temporary or short term accommodation]

17A.—^{F89}(1) This article applies where—

- (a) a rent rebate is payable by an authority;
- (b) a person (“P”) is required to pay the authority—
 - (i) for self-contained accommodation which the authority has a right to use under an agreement, other than a lease, with a third party;
 - (ii) in England, for accommodation outside that authority’s Housing Revenue Account which the authority holds on a lease granted for a term not exceeding 10 years; or
 - (iii) in Wales and Scotland, for accommodation which the authority holds on a lease; and
- (c) the authority makes the accommodation available to P—
 - (i) to discharge any of its functions under Part 3 of the Housing Act 1985, Part 7 of the Housing Act 1996^{F90}, Part 2 of the Housing (Wales) Act 2014] or Part 2 of the Housing (Scotland) Act 1987, as the case may be; or
 - (ii) to prevent P being or becoming homeless within the meaning of Part 7 of the Housing Act 1996^{F91}, Part 2 of the Housing (Wales) Act 2014 or] Part 2 of the Housing (Scotland) Act 1987^{F92}, as the case may be].

(2) Where this article applies, the appropriate amount is [^{F93}the lowest] of—

- (a) the amount of housing benefit entitlement in a week or part week, as the case may be; or
- (b) the maximum amount determined in accordance with paragraph (3); [^{F94}or
- (c) ^{F95} ..., £500 where the dwelling is located in a broad rental market area listed in Schedule 8 (broad rental market areas in London) or £375 where the dwelling is located in any other broad rental market area.]

(3) [^{F96}The maximum amount referred to in paragraph (2) is 90% of the local housing allowance for January 2011 for the category specified in paragraphs 1(1)(b) to (f) of Schedule 3B to the Rent Officers Order (as in force on 1st January 2011) which applies to the accommodation and is applicable to the broad rental market area in which the accommodation is situated.]

^{F97}(3A)

(4) [^{F98}For the purposes of determining the applicable local housing allowance in paragraph (3)—

- (a) for accommodation which is not self-contained, the applicable local housing allowance is the local housing allowance specified in paragraph 1(1)(b) of Schedule 3B to the Rent Officers Order; and
- (b) for accommodation which is self-contained—
 - (i) where the total number of rooms suitable for living in and bedrooms in the accommodation is between two and five, at least one of those rooms is to be treated as a room suitable for living in; and

- (ii) where the total number of rooms suitable for living in and bedrooms in the accommodation is six or more, at least two of those rooms are to be treated as rooms suitable for living in.]]

Textual Amendments

- F75** Arts. 17-17A substituted for art. 17 (1.4.2010) by [Income-related Benefits \(Subsidy to Authorities\) \(Temporary Accommodation\) Amendment Order 2009 \(S.I. 2009/2580\)](#) , arts. 1 , **2(3)**
- F88** Art. 17A heading substituted (1.4.2011) by [Income-related Benefits \(Subsidy to Authorities\) \(Temporary Accommodation\) Amendment Order 2010 \(S.I. 2010/2509\)](#) , arts. 1 , **2(8)**
- F89** Art. 17A(1) substituted (1.4.2011) by [Income-related Benefits \(Subsidy to Authorities\) \(Temporary Accommodation\) Amendment Order 2010 \(S.I. 2010/2509\)](#) , arts. 1 , **2(9)(a)**
- F90** Words in art. 17A(1)(c)(i) inserted (with effect in accordance with art. 1(4) of the amending S.I.) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2016 \(S.I. 2016/986\)](#) , arts. 1(1) , **4(3)(a)**
- F91** Words in art. 17A(1)(c)(ii) substituted (with effect in accordance with art. 1(4) of the amending S.I.) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2016 \(S.I. 2016/986\)](#) , arts. 1(1) , **4(3)(b)(i)**
- F92** Words in art. 17A(1)(c)(ii) inserted (with effect in accordance with art. 1(4) of the amending S.I.) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2016 \(S.I. 2016/986\)](#) , arts. 1(1) , **4(3)(b)(ii)**
- F93** Words in art. 17A(2) substituted (with effect in accordance with art. 1(4) of the commencing S.I.) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2010 \(S.I. 2010/2481\)](#) , arts. 1(1) , **5(4)(a)(i)**
- F94** Art. 17A(2)(c) and word added (with effect in accordance with art. 1(4) of the commencing S.I.) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2010 \(S.I. 2010/2481\)](#) , arts. 1(1) , **5(4)(a)(ii)**
- F95** Words in art. 17A(2)(c) omitted (1.4.2011) by virtue of [Income-related Benefits \(Subsidy to Authorities\) \(Temporary Accommodation\) Amendment Order 2010 \(S.I. 2010/2509\)](#) , arts. 1 , **2(9)(b)**
- F96** Art. 17A(3) substituted (26.10.2017) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2017 \(S.I. 2017/900\)](#) , **art. 5(1)** , reg. 1
- F97** Art. 17A(3A) omitted (1.4.2011) by virtue of [Income-related Benefits \(Subsidy to Authorities\) \(Temporary Accommodation\) Amendment Order 2010 \(S.I. 2010/2509\)](#) , arts. 1 , **2(9)(d)**
- F98** Art. 17A(4) substituted (1.4.2011) by [Income-related Benefits \(Subsidy to Authorities\) \(Temporary Accommodation\) Amendment Order 2010 \(S.I. 2010/2509\)](#) , arts. 1 , **2(9)(e)**

[^{F99}Subsidy in respect of non self-contained licensed accommodation, and board and lodging accommodation, made available by a registered housing association as temporary or short term accommodation

17B.—(1) This article applies where—

- (a) a rent allowance is payable by an authority;
- (b) a person (“P”) is required to pay a registered housing association for—
 - (i) board and lodging accommodation; or
 - (ii) accommodation which is not self-contained and which the registered housing association has a right to use under an agreement, other than a lease, with a third party; and
- (c) the registered housing association makes the accommodation available to P in pursuance of arrangements made with it by the authority—

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- (i) to discharge any of the authority's functions under Part 3 of the Housing Act 1985, Part 7 of the Housing Act 1996^{F100}, Part 2 of the Housing (Wales) Act 2014] or Part 2 of the Housing (Scotland) Act 1987, as the case may be; or
 - (ii) to prevent P being or becoming homeless within the meaning of Part 7 of the Housing Act 1996^{F101}, Part 2 of the Housing (Wales) Act 2014 or] Part 2 of the Housing (Scotland) Act 1987^{F102}, as the case may be]; ^{F103}and
 - (d) the accommodation is not exempt accommodation within the meaning given by paragraph 4(10) of Schedule 3 (transitional and savings provisions) to the Consequential Provisions Regulations.]
- (2) Where this article applies the appropriate amount is the lowest of—
- (a) the amount of housing benefit entitlement in a week or part week, as the case may be;
 - (b) the maximum amount determined in accordance with paragraph (3); or
 - (c) £500 where the dwelling is located in a broad rental market area listed in Schedule 8 (broad rental market areas in London) or £375 where the dwelling is located in any other broad rental market area.
- (3) The maximum amount referred to in paragraph (2) is the local housing allowance for January 2011 for the category specified in paragraph 1(1)(b) of Schedule 3B to the Rent Officers Order which is applicable to the broad rental market area in which the accommodation is situated.

Textual Amendments

- F99** Art. 17B - Art. 17C inserted (1.4.2011) by [Income-related Benefits \(Subsidy to Authorities\) \(Temporary Accommodation\) Amendment Order 2010 \(S.I. 2010/2509\)](#), arts. 1, **2(10)**
- F100** Words in art. 17B(1)(c)(i) inserted (with effect in accordance with art. 1(4) of the amending S.I.) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2016 \(S.I. 2016/986\)](#), arts. 1(1), **4(4)(a)**
- F101** Words in art. 17B(1)(c)(ii) substituted (with effect in accordance with art. 1(4) of the amending S.I.) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2016 \(S.I. 2016/986\)](#), arts. 1(1), **4(4)(b)(i)**
- F102** Words in art. 17B(1)(c)(ii) inserted (with effect in accordance with art. 1(4) of the amending S.I.) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2016 \(S.I. 2016/986\)](#), arts. 1(1), **4(4)(b)(ii)**
- F103** Art. 17B(1)(d) and word added (1.4.2011) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2011 \(S.I. 2011/2957\)](#) arts. , 4(5)

Subsidy in respect of self-contained accommodation, or owned or leased accommodation, made available by a registered housing association as temporary or short term accommodation

- 17C.**—(1) This article applies where—
- (a) a rent allowance is payable by an authority; and
 - (b) a person (“P”) is required to pay a registered housing association for—
 - (i) accommodation which is not self-contained and which the registered housing association owns or holds on a lease; or
 - (ii) accommodation which is self-contained; and
 - (c) the registered housing association makes the accommodation available to P in pursuance of arrangements made with it by the authority—

- (i) to discharge any of the authority's functions under Part 3 of the Housing Act 1985, Part 7 of the Housing Act 1996^{F104}, Part 2 of the Housing (Wales) Act 2014] or Part 2 of the Housing (Scotland) Act 1987, as the case may be; or
 - (ii) to prevent P being or becoming homeless within the meaning of Part 7 of the Housing Act 1996^{F105}, Part 2 of the Housing (Wales) Act 2014 or] Part 2 of the Housing (Scotland) Act 1987^{F106}, as the case may be]; ^{F107}and
 - (d) the accommodation is not exempt accommodation within the meaning given by paragraph 4(10) of Schedule 3 (transitional and savings provisions) to the Consequential Provisions Regulations.]
- (2) Where this article applies the appropriate amount is the lowest of—
- (a) the amount of housing benefit entitlement in a week or part week, as the case may be;
 - (b) the maximum amount determined in accordance with paragraph (3); or
 - (c) £500 where the dwelling is located in a broad rental market area listed in Schedule 8 (broad rental market areas in London) or £375 where the dwelling is located in any other broad rental market area.
- ^{F108}(3) The maximum amount referred to in paragraph (2) is 90% of the local housing allowance for January 2011 for the category specified in paragraphs 1(1)(b) to (f) of Schedule 3B to the Rent Officers Order (as in force on 1st January 2011) which applies to the accommodation and is applicable to the broad rental market area in which the accommodation is situated.]
- (4) For the purposes of determining the applicable local housing allowance in paragraph (3)—
- (a) for accommodation which is not self-contained, the applicable local housing allowance is the local housing allowance specified in paragraph 1(1)(b) of Schedule 3B to the Rent Officers Order; and
 - (b) for accommodation which is self-contained—
 - (i) where the total number of rooms suitable for living in and bedrooms in the accommodation is between two and five, at least one of those rooms is to be treated as a room suitable for living in; and
 - (ii) where the total number of rooms suitable for living in and bedrooms in the accommodation is six or more, at least two of those rooms are to be treated as rooms suitable for living in.]

Textual Amendments

- F99** Art. 17B - Art. 17C inserted (1.4.2011) by [Income-related Benefits \(Subsidy to Authorities\) \(Temporary Accommodation\) Amendment Order 2010 \(S.I. 2010/2509\)](#), arts. 1, **2(10)**
- F104** Words in art. 17C(1)(c)(i) inserted (with effect in accordance with art. 1(4) of the amending S.I.) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2016 \(S.I. 2016/986\)](#), arts. 1(1), **4(5)(a)**
- F105** Words in art. 17C(1)(c)(ii) substituted (with effect in accordance with art. 1(4) of the amending S.I.) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2016 \(S.I. 2016/986\)](#), arts. 1(1), **4(5)(b)(i)**
- F106** Words in art. 17C(1)(c)(ii) inserted (with effect in accordance with art. 1(4) of the amending S.I.) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2016 \(S.I. 2016/986\)](#), arts. 1(1), **4(5)(b)(ii)**
- F107** Art. 17C(1)(d) and word inserted (1.4.2011) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2011 \(S.I. 2011/2957\)](#) arts. 1, 4(6)(a)

Status: Point in time view as at 31/10/2021.

Changes to legislation: There are currently no known outstanding effects for the The Income-related Benefits (Subsidy to Authorities) Order 1998, PART III. (See end of Document for details)

F108 Art. 17C(3) substituted (26.10.2017) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2017 \(S.I. 2017/900\)](#), **art. 5(2)**, reg. 1

Additions to subsidy

- 18.—(1) Subject to [F109 paragraph (8)], the additions referred to in article 13(1) are—
- (a) where following the loss, destruction or non-receipt, or alleged loss, destruction or non-receipt of original instruments of payment of [F110 housing benefit], an authority makes duplicate payments and the original instruments have been or are subsequently encashed, an amount equal to 25 per cent. of the amount of the duplicate payments;
 - [F111](b) subject to paragraphs (2) and (3), where, during the relevant year, it is discovered that an overpayment of F112... [F113 housing benefit] has been made and an amount is to be deducted under article 19 in relation to that overpayment, an amount equal to—
 - (i) in the case of a departmental error overpayment F114..., [F115 100 per cent.] of so much of the overpayment as has not been recovered by the authority;
 - F116(ii)
 - F117((iia))
 - (iii) [F118 except where [F119 head (i) above applies], 40 per cent. of the overpayment;]
 - F120(iv)
 - (c) where, during the relevant year, it is discovered that an overpayment in respect of which a deduction was made under article 11 or 19 of the 1994 Order, the 1995 Order, the 1996 Order or the 1997 Order (other than a deduction under article 11(1)(g) or 19(1)(c) of the 1994 Order or 11(1)(f) or 19(1)(c) of the 1995, 1996 or 1997 Orders) or, in respect of a year earlier than the relevant year, under article 19 (other than a deduction under article 19(1)(f)), as the case may be, was a fraudulent overpayment, the amount, if any, by which F121... [F122 40 per cent.] of any such overpayment exceeds the amount of any subsidy that has been paid in respect of that overpayment;
 - [F123](d) where, during the relevant year, it is discovered that an overpayment in respect of which a deduction was made—
 - (i) under article 19 (other than a deduction under article 19(1)(ea)); and
 - (ii) in respect of a year which begins after 31st March 2001 and which is earlier than the relevant year,

was a claimant error overpayment, the amount, if any, by which 40 per cent. of any such overpayment exceeds the amount of any subsidy that has been paid in respect of that overpayment.]
 - [F124](e) where, during the relevant year, it is discovered that any overpayments of [F125 housing benefit] have been made which were authority error overpayments or administrative delay overpayments, the following amounts—
 - (i) i) where the total of the authority error overpayments and administrative delay overpayments is less than or equal to 0.48% of the total specified subsidy, 100% of the total of those overpayments;
 - (ii) where the total of the authority error overpayments and administrative delay overpayments is greater than 0.48% but less than or equal to 0.54% of the total specified subsidy, 40% of the total of those overpayments; and
 - (iii) where the total of the authority error overpayments and administrative delay overpayments is greater than 0.54% of the total specified subsidy, nil.]

[^{F126}(f) where, during the relevant year, it is discovered that an overpayment in respect of which a deduction was made under article 19 (deductions made in calculating subsidy) was a payment on account overpayment, 100 per cent. of so much of the overpayment as has not been recovered by the authority.]

(2) The amount under paragraph (1)(b) shall not include an amount in relation to—

- (a) an authority error overpayment;
- (b) any technical overpayment; or

^{F127}(c)

[^{F128}(d) an administrative delay overpayment;]^{F129} or

(e) a payment on account overpayment.]

(3) In the case of a departmental error overpayment, where some or all of that overpayment is recovered by the authority, no addition shall be applicable to the authority in respect of the amount so recovered.

[^{F130}(4) In paragraphs (1)(b)(i) and (3) and in article 19(1)(e), “departmental error overpayment” means [^{F131}an overpayment of a kind to which paragraph (4ZA) [^{F132}or (4ZB)] applies or] an overpayment caused by a mistake made, whether in the form of an act or omission—

[^{F133}(a) by an officer of the Department for Work and Pensions [^{F134}or of the Inland Revenue], acting as such, or a person providing services to that Department [^{F135}or to the Inland Revenue];]

(b) in a decision of an appeal tribunal or a Commissioner,

where the claimant, a person acting on his behalf or any other person to whom the payment is made did not cause or materially contribute to that mistake but excludes any mistake of law which is shown to have been an error only by virtue of a subsequent decision of a Commissioner or a court.]

[^{F136}(4ZA) This paragraph applies to an overpayment where—

- (a) the overpayment was made during the period beginning with 5th April 2003 and ending with 13th June 2003 (“the specified period”);
- (b) the overpayment would, but for paragraph (4), fall to be regarded as an authority error overpayment on the ground that it was made as a result of a failure by the authority to take account of information about the amount of any tax credit payable to the claimant; and
- (c) the Secretary of State is satisfied that the authority took reasonable steps to avoid making overpayments of the kind described in sub-paragraph (b) during the specified period.]

[^{F137}(4ZB) This paragraph applies to an overpayment where—

- (a) during the period beginning on 9th April 2012 and ending on 19th April 2012 (the “specified period”) an authority received a notification through the Automated Transfers to Local Authority System used by the Department for Work and Pensions to provide award data to relevant authorities in respect of a claimant (“the notification”);
- (b) the notification received during the specified period was sufficient to require an authority to make a revision or supersession decision on a claimant’s award;
- (c) the authority failed to make a revision or supersession decision on the basis of the notification received during the specified period before the next day on which the claimant’s benefit was paid;
- (d) the authority’s failure to make a revision or supersession decision before the next day on which the claimant’s benefit was paid resulted in the overpayment; and
- (e) the authority made a revision or supersession decision on the claimant’s award, based on the notification received during the specified period, on or before 10th July 2012.]

Status: Point in time view as at 31/10/2021.

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[^{F138}(4A) In paragraph [^{F139}(1)(d) and in article 19(1)(ea)], “claimant error overpayment” means an overpayment [^{F140}which]—

[^{F141}(a) is caused by the claimant, or a person acting on the claimant’s behalf under regulation 82 of the Housing Benefit Regulations (who may claim housing benefit), failing to provide information in accordance with regulation 83, 86 or 88 of, or paragraph 5 of Schedule A1 to, those Regulations (duties on claimant to provide information); and]

(b) is not a fraudulent overpayment.]

[^{F142}(5) In paragraphs (1)(c) and (4A), and in article 19(1)(f), “fraudulent overpayment” means an overpayment in respect of a period falling wholly or partly after 31st March 1993 where the claimant has in respect of the overpayment—

(a) been found guilty of an offence whether under a statute or otherwise;

(b) made an admission after caution of deception or fraud for the purpose of obtaining [^{F143}housing benefit]; or

(c) agreed to pay a penalty under section 115A of the Act (penalty as an alternative to prosecution) and has not withdrawn that agreement.

(5A) In paragraph (5)(b) “admission after caution” means—

(a) in England and Wales, an admission after a caution has been administered in accordance with a Code issued under the Police and Criminal Evidence Act 1984;

(b) in Scotland, an admission after a caution has been administered, such admission being duly witnessed by two persons.]

[^{F144}(6) [^{F145}In paragraphs (1)(e) and (2)(a)], “authority error overpayment” means an overpayment caused by a mistake made, whether in the form of an act or omission, by an authority where the claimant, a person acting on his behalf or any other person to whom the payment is made did not cause or materially contribute to that mistake but excludes any mistake of law which is shown to have been an error only by virtue of a subsequent decision of a court.]

[^{F146}(6ZA) In paragraphs (1)(e) and (2)(d), “administrative delay overpayment” means an overpayment arising where—

(a) an authority is notified of a change of circumstances and has sufficient information and evidence to make a revision or supersession decision on an award;

(b) the authority does not make the decision before the next day on which the claimant’s benefit is paid ^{F147}...; ^{F148} ...

(c) the delay was not—

(i) caused by a mistake, whether in the form of an act or omission, by an authority; or

(ii) caused or materially contributed to by the claimant, a person acting on the claimant’s behalf, or any other person to whom payment is made][^{F149}; and]

[^{F150}(d) paragraph (4ZB) is not applicable.]

[^{F151}(6ZB) For the purposes of paragraphs (1)(e) and (2), an “authority error overpayment” or an “administrative delay overpayment” does not include an overpayment of a kind to which paragraphs (6ZC) or (6ZD) apply.

(6ZC) This paragraph applies to an overpayment where—

(a) an authority receives real time information in respect of the overpayment which indicates that the overpayment was caused by the incorrect declaration of PAYE employment income or PAYE pension income by the claimant; and

(b) the authority—

- (i) has sufficient real time information to make a revision or supersession decision on the claimant's award; and
 - (ii) makes a revision or supersession decision during the period of 4 weeks beginning with the date on which the authority received the real time information.
- (6ZD) This paragraph applies to an overpayment where—
- (a) an authority receives real time information in respect of the overpayment which indicates that the overpayment was caused by the incorrect declaration of PAYE employment income or PAYE pension income by the claimant;
 - (b) the authority has insufficient real time information to make a revision or supersession decision;
 - (c) the authority requests further information from the claimant; and
 - (d) the authority makes a revision or supersession decision either—
 - (i) if the additional information is provided during the period of 4 weeks beginning with the date on which the authority received the real time information (“the 4 week period”), by the end of that 4 week period; or
 - (ii) if the additional information is provided after the 4 week period has ended, by the Monday following the date on which the additional information is received.
- (6ZE) For the purposes of paragraphs (6ZC) and (6ZD)—
- “PAYE employment income” has the meaning in section 683(2) of the Income Tax (Earnings and Pensions) Act 2003;
 - “PAYE pension income” has the meaning in section 683(3) of the Income Tax (Earnings and Pensions) Act 2003;
 - “real time information” means information which is reported by a Real Time Information employer or Real Time Information pension payer in respect of the PAYE employment income or PAYE pension income of its employees;
 - “Real Time Information employer” has the meaning in regulation 2A(1) of the Income Tax (Pay As You Earn) Regulations 2003;
 - “Real Time Information pension payer” has the meaning in regulation 2B(1) of the Income Tax (Pay As You Earn) Regulations 2003.]
- [^{F152}(6A) In paragraph (1)(e), “total specified subsidy” means the total amount of housing benefit ^{F153}... that attracts 100 per cent subsidy for the relevant year, including any subsidy paid pursuant to article 14.]
- [^{F154}(7) Subject to paragraph (7A), in paragraph (2)(b) “technical overpayment” means an overpayment which occurs as a result of [^{F155}a rebate being awarded and entitlement to that rebate being reduced or eliminated because, subsequent to that award, the liability in respect of which the rebate was awarded was reduced or eliminated].
- (7A) A technical overpayment does not include any part of the overpayment occurring—
- (a) in a case to which paragraph (7)(a) applies, before the day on which the liability was reduced or eliminated; or
 - (b) in a case to which paragraph (7)(b) applies, before the day on which the authority suspended, revised or superseded the award, whichever is earliest.
- (7B) In paragraphs (1)(f) and (2)(e), “payment on account overpayment” means an amount paid on account under regulation 93 of the Housing Benefit Regulations or regulation 74 of the Housing Benefit (State Pension Credit) Regulations (payment on account of a rent allowance) which is in excess of the entitlement to housing benefit as subsequently decided.]

Status: Point in time view as at 31/10/2021.

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(8) Except for [^{F156}paragraphs (1)(b)(iii)], (1)(c) and (5), this article shall not apply to that part of any ^{F157}... [^{F158}housing benefit] in respect of a case to which [^{F159}paragraph (12) of regulation 83 of the Housing Benefit Regulations][^{F160}applies].

^{F161}(9)

^{F162}(10)

^{F162}[^{F163}(11)

(12) Where, during the relevant year, an overpayment that has been classified as an overpayment under one of paragraphs (4), (4ZA) [^{F164}, (4ZB)] (4A), (5), (6)[^{F165}, (6ZA)] or (7) is reclassified, the addition referred to in article 13(1) shall be the amount payable under paragraph (1) for the final classification of the overpayment.]

Textual Amendments

- F109** Words in art. 18(1) substituted (with effect in accordance with art. 1(3) of the commencing S.I.) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2010 \(S.I. 2010/2481\)](#), arts. 1(1), **3(2)**
- F110** Words in art. 18(1)(a) substituted (31.10.2021) by [The Income-related Benefits \(Subsidy to Authorities\) and Discretionary Housing Payments \(Grants\) Amendment Order 2021 \(S.I. 2021/1031\)](#), art. 1(1), **Sch. 5 para. 11(2)(a)**
- F111** Art. 18(1)(b) substituted (10.5.2000 with effect in accordance with art. 1(3)) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2000 \(S.I. 2000/1091\)](#) , arts. 1 , **4(3)**
- F112** Words in art. 18(1)(b) omitted (9.11.2015) by virtue of [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2015 \(S.I. 2015/1784\)](#), arts. 1(1), **5(3)(a)**
- F113** Words in art. 18(1)(b) substituted (31.10.2021) by [The Income-related Benefits \(Subsidy to Authorities\) and Discretionary Housing Payments \(Grants\) Amendment Order 2021 \(S.I. 2021/1031\)](#), art. 1(1), **Sch. 5 para. 11(2)(b)(i)**
- F114** Words in art. 18(1)(b)(i) omitted (31.10.2021) by virtue of [The Income-related Benefits \(Subsidy to Authorities\) and Discretionary Housing Payments \(Grants\) Amendment Order 2021 \(S.I. 2021/1031\)](#), art. 1(1), **Sch. 5 para. 11(2)(b)(ii)**
- F115** Words in art. 18(1)(b)(i) substituted (with effect in accordance with art. 1(2) of the commencing S.I.) by [Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2006 \(S.I. 2006/54\)](#) , arts. 1(1) , **3(8)(a)**
- F116** Art. 18(1)(b)(ii) omitted (31.10.2021) by virtue of [The Income-related Benefits \(Subsidy to Authorities\) and Discretionary Housing Payments \(Grants\) Amendment Order 2021 \(S.I. 2021/1031\)](#), art. 1(1), **Sch. 5 para. 11(2)(b)(iii)**
- F117** Art. 18(1)(b)(ia) omitted (2.1.2004 with effect in accordance with art. 1(2)) by virtue of [Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2003 \(S.I. 2003/3179\)](#) , arts. 1(1) , **7(2)**
- F118** Art. 18(1)(b)(iii) substituted (2.1.2004 with effect in accordance with art. 1(2)) by [Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2003 \(S.I. 2003/3179\)](#) , arts. 1(1) , **7(3)**
- F119** Words in art. 18(1)(b)(iii) substituted (31.10.2021) by [The Income-related Benefits \(Subsidy to Authorities\) and Discretionary Housing Payments \(Grants\) Amendment Order 2021 \(S.I. 2021/1031\)](#), art. 1(1), **Sch. 5 para. 11(2)(b)(iv)**
- F120** Art. 18(1)(b)(iv) omitted (2.1.2004 with effect in accordance with art. 1(2)) by virtue of [Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2003 \(S.I. 2003/3179\)](#) , arts. 1(1) , **7(2)**
- F121** Words in art. 18(1)(c) omitted (2.1.2004 with effect in accordance with art. 1(2)) by virtue of [Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2003 \(S.I. 2003/3179\)](#) , arts. 1(1) , **7(4)**
- F122** Words in art. 18(1)(c) inserted (13.1.2003 with effect in accordance with art. 1(2)) by [Income-related Benefits \(Subsidy to Authorities\) Amendments \(No.2\) Order 2002 \(S.I. 2002/3116\)](#) , arts. 1(1) , **4(2)(d)**

- F123** Art. 18(1)(d) substituted (2.1.2004 with effect in accordance with art. 1(2)) by Income-related Benefits (Subsidy to Authorities) Amendment Order 2003 (S.I. 2003/3179) , arts. 1(1) , **7(5)**
- F124** Art. 18(1)(e) substituted (with effect in accordance with art. 1(3) of the commencing S.I.) by The Income-related Benefits (Subsidy to Authorities) Amendment Order 2010 (S.I. 2010/2481), arts. 1(1), **3(3)**
- F125** Words in art. 18(1)(e) substituted (31.10.2021) by The Income-related Benefits (Subsidy to Authorities) and Discretionary Housing Payments (Grants) Amendment Order 2021 (S.I. 2021/1031), art. 1(1), **Sch. 5 para. 11(2)(c)**
- F126** Art. 18(1)(f) added (with effect in accordance with art. 1(3) of the commencing S.I.) by The Income-related Benefits (Subsidy to Authorities) Amendment Order 2011 (S.I. 2011/2957), arts. 1(1), **4(7)(a)**
- F127** Art. 18(2)(c) omitted (with effect in accordance with art. 1(3) of the commencing S.I.) by virtue of The Income-related Benefits (Subsidy to Authorities) Amendment Order 2011 (S.I. 2011/2957), arts. 1(1), **4(7)(b)(i)**
- F128** Art. 18(2)(d) and word added (with effect in accordance with art. 1(3) of the commencing S.I.) by The Income-related Benefits (Subsidy to Authorities) Amendment Order 2010 (S.I. 2010/2481), arts. 1(1), **3(4)**
- F129** Art. 18(2)(e) and word added (with effect in accordance with art. 1(3) of the commencing S.I.) by The Income-related Benefits (Subsidy to Authorities) Amendment Order 2011 (S.I. 2011/2957), arts. 1(1), **4(7)(b)(ii)**
- F130** Art. 18(4) substituted (25.9.2000) by The Income-related Benefits (Subsidy to Authorities) Amendment (No. 2) Order 2000 (S.I. 2000/2340), arts 1, 2(d)
- F131** Words in art. 18(4) inserted (with effect in accordance with art. 1(2) of the commencing S.I.) by Income-related Benefits (Subsidy to Authorities) Amendment Order 2005 (S.I. 2005/369) , arts. 1(1) , **4(7)(a)**
- F132** Words in art. 18(4) inserted (with effect in accordance with art. 1(2) of the commencing S.I.) by The Income-related Benefits (Subsidy to Authorities) Amendment (No. 2) Order 2013 (S.I. 2013/2989), arts 1, **art. 2(1)(a)**
- F133** Art. 18(4)(a) substituted (27.6.2002) by Secretaries of State for Education and Skills and for Work and Pensions Order 2002 (S.I. 2002/1397), art. 1(2), **Sch. para. 31**
- F134** Words in art. 18(4)(a) inserted (2.1.2004 with effect in accordance with art. 1(2)) by Income-related Benefits (Subsidy to Authorities) Amendment Order 2003 (S.I. 2003/3179) , arts. 1(1) , **7(6)(a)**
- F135** Words in art. 18(4)(a) inserted (2.1.2004 with effect in accordance with art. 1(2)) by Income-related Benefits (Subsidy to Authorities) Amendment Order 2003 (S.I. 2003/3179) , arts. 1(1) , **7(6)(b)**
- F136** Art. 18(4ZA) inserted (with effect in accordance with art. 1(2) of the commencing S.I.) by Income-related Benefits (Subsidy to Authorities) Amendment Order 2005 (S.I. 2005/369) , arts. 1(1) , **4(7)(b)**
- F137** Art. 18(4ZB) inserted (with effect in accordance with art. 1(2) of the commencing S.I.) by The Income-related Benefits (Subsidy to Authorities) Amendment (No. 2) Order 2013 (S.I. 2013/2989), art. 1, **art. 2(1)(b)**
- F138** Art. 18(4A) inserted (13.1.2003 with effect in accordance with art. 1(2)) by Income-related Benefits (Subsidy to Authorities) Amendments (No.2) Order 2002 (S.I. 2002/3116) , arts. 1(1) , **4(3)**
- F139** Words in art. 18(4A) substituted (2.1.2004 with effect in accordance with art. 1(2)) by Income-related Benefits (Subsidy to Authorities) Amendment Order 2003 (S.I. 2003/3179) , arts. 1(1) , **7(7)**
- F140** Word in art. 18(4A) substituted (with effect in accordance with art. 1(2) of the commencing S.I.) by Income-related Benefits (Subsidy to Authorities) Amendment Order 2005 (S.I. 2005/369) , arts. 1(1) , **4(7)(c)**
- F141** Art. 18(4A)(a) substituted (31.10.2021) by The Income-related Benefits (Subsidy to Authorities) and Discretionary Housing Payments (Grants) Amendment Order 2021 (S.I. 2021/1031), art. 1(1), **Sch. 5 para. 11(3)**
- F142** Art. 18(5)-(5A) substituted for art. 18(5) (with effect in accordance with art. 1(3) of the commencing S.I.) by The Income-related Benefits (Subsidy to Authorities) Amendment Order 2010 (S.I. 2010/2481), arts. 1(1), **3(5)**

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- F143** Words in art. 18(5)(b) substituted (31.10.2021) by The Income-related Benefits (Subsidy to Authorities) and Discretionary Housing Payments (Grants) Amendment Order 2021 (S.I. 2021/1031), art. 1(1), **Sch. 5 para. 11(4)**
- F144** Art. 18(6) substituted (25.9.2000) by The Income-related Benefits (Subsidy to Authorities) Amendment (No. 2) Order 2000 (2000/2340) arts. 1, 2(d)(ii)
- F145** Words in art. 18(6) substituted (with effect in accordance with art. 1(2) of the commencing S.I.) by Income-related Benefits (Subsidy to Authorities) Amendment Order 2006 (S.I. 2006/54) , arts. 1(1) , **3(8)(e)**
- F146** Art. 18(6ZA) inserted (with effect in accordance with art. 1(3) of the commencing S.I.) by The Income-related Benefits (Subsidy to Authorities) Amendment Order 2010 (S.I. 2010/2481), arts. 1(1), **3(6)**
- F147** Words in art. 18(6ZA)(b) omitted (31.10.2021) by virtue of The Income-related Benefits (Subsidy to Authorities) and Discretionary Housing Payments (Grants) Amendment Order 2021 (S.I. 2021/1031), art. 1(1), **Sch. 5 para. 11(5)**
- F148** Word in art. 18(6ZA)(b) omitted (with effect in accordance with art. 1(2) of the commencing S.I.) by virtue of The Income-related Benefits (Subsidy to Authorities) Amendment (No. 2) Order 2013 (S.I. 2013/2989), art. 1, **art. 2(1)(c)(i)**
- F149** Word in art. 18(6ZA)(c)(ii) inserted (with effect in accordance with art. 1(2) of the commencing S.I.) by The Income-related Benefits (Subsidy to Authorities) Amendment (No. 2) Order 2013 (S.I. 2013/2989), art. 1, **art. 2(1)(c)(ii)**
- F150** Art. 18(6ZA)(d) inserted (with effect in accordance with art. 1(2) of the commencing S.I.) by The Income-related Benefits (Subsidy to Authorities) Amendment (No. 2) Order 2013 (S.I. 2013/2989), art. 1, **art. 2(1)(c)(iii)**
- F151** Art. 18(6ZB)-(6ZE) inserted (with effect in accordance with art. 1(3) of the commencing S.I.) by The Income-related Benefits (Subsidy to Authorities) Amendment Order 2015 (S.I. 2015/1784), arts. 1(1), **3(2)**
- F152** Art. 18(6A) inserted (with effect in accordance with art. 1(2) of the commencing S.I.) by Income-related Benefits (Subsidy to Authorities) Amendment Order 2006 (S.I. 2006/54) , arts. 1(1) , **3(8)(f)**
- F153** Words in art. 18(6A) omitted (31.10.2021) by virtue of The Income-related Benefits (Subsidy to Authorities) and Discretionary Housing Payments (Grants) Amendment Order 2021 (S.I. 2021/1031), art. 1(1), **Sch. 5 para. 11(6)**
- F154** Art. 18(7)-(7B) substituted for art. 18(7) (with effect in accordance with art. 1(3) of the commencing S.I.) by The Income-related Benefits (Subsidy to Authorities) Amendment Order 2011 (S.I. 2011/2957), arts. 1(1), **4(7)(c)**
- F155** Words in art. 18(7) substituted (31.10.2021) by The Income-related Benefits (Subsidy to Authorities) and Discretionary Housing Payments (Grants) Amendment Order 2021 (S.I. 2021/1031), art. 1(1), **Sch. 5 para. 11(7)**
- F156** Words in art. 18(8) substituted (10.5.2000 with effect in accordance with art. 1(3)) by The Income-related Benefits (Subsidy to Authorities) Amendment Order 2000 (S.I. 2000/1091) , arts. 1 , **4(6)**
- F157** Words in art. 18(8) omitted (9.11.2015) by virtue of The Income-related Benefits (Subsidy to Authorities) Amendment Order 2015 (S.I. 2015/1784), arts. 1(1), **5(3)(c)(i)**
- F158** Words in art. 18(8) substituted (31.10.2021) by The Income-related Benefits (Subsidy to Authorities) and Discretionary Housing Payments (Grants) Amendment Order 2021 (S.I. 2021/1031), art. 1(1), **Sch. 5 para. 11(8)(a)**
- F159** Words in art. 18(8) substituted (6.3.2006) by The Housing Benefit and Council Tax Benefit (Consequential Provisions) Regulations 2006 (S.I. 2006/217) , reg. 1(1) , **Sch. 2 para. 13(7)(b)** (with regs. 2 , 3, Schs. 3, Sch. 4)
- F160** Word in art. 18(8) substituted (31.10.2021) by The Income-related Benefits (Subsidy to Authorities) and Discretionary Housing Payments (Grants) Amendment Order 2021 (S.I. 2021/1031), art. 1(1), **Sch. 5 para. 11(8)(b)**
- F161** Art. 18(9) omitted (with effect in accordance with art. 1(2) of the commencing S.I.) by virtue of Income-related Benefits (Subsidy to Authorities) Amendment Order 2006 (S.I. 2006/54) , arts. 1(1) , **3(8)(g)**

- F162** Art. 18(10)(11) omitted (with effect in accordance with art. 1(2) of the commencing S.I.) by virtue of [Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2008 \(S.I. 2008/196\)](#), arts. 1(1), **2(3)(b)**
- F163** Art. 18(11)(12) inserted (with effect in accordance with art. 1(2) of the commencing S.I.) by [Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2006 \(S.I. 2006/54\)](#), arts. 1(1), **3(8)(h)**
- F164** Word in art. 18(12) inserted (with effect in accordance with art. 1(2) of the commencing S.I.) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment \(No. 2\) Order 2013 \(S.I. 2013/2989\)](#), art. 1, **art. 2(1)(d)**
- F165** Word in art. 18(12) inserted (with effect in accordance with art. 1(3) of the commencing S.I.) by [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2010 \(S.I. 2010/2481\)](#), arts. 1(1), **3(7)**

Deductions to be made in calculating subsidy

19.—(1) The deductions referred to in article 11(2)(b) are, subject to paragraph (4), to be of the following amounts where—

- (a) subject to paragraphs (2) and (3), a tenant of an authority, who is in receipt of a rebate while continuing to occupy, or when entering into occupation of a dwelling as his home, either under his existing tenancy agreement or by entering into a new tenancy agreement—
- (i) is during, or was at any time prior to, the relevant year able to choose whether or not to be provided with any services, facilities or rights (“improvements”) and chooses or chose to be so provided;
- (ii) is during, or was at any time prior to, the relevant year, able to choose either to be provided with any improvements or, whether or not in return for an award or grant from the authority, to provide such improvements for himself; or
- (iii) would be able during, or would have been able at any time prior to, the relevant year to exercise the choice set out in head (i) or (ii) of this sub-paragraph if he were not or had not at that time been in receipt of a rebate,

the amounts attributed during the relevant year to such improvements whether they are or would be expressed as part of the sum fixed as rent, otherwise reserved as rent or expressed as an award or grant from the authority;

- (b) during the relevant year a person becomes entitled to a rent-free period which has not been, or does not fall to be, taken into account in calculating the amount of rebate to which he is entitled under the Housing Benefit Regulations, the amount of rebate which is or was payable to him in respect of such rent-free period;
- (c) during the relevant year an award in the form of a payment of money or monies worth, a credit to the person’s rent account or in some other form is made by an authority to one of its tenants in receipt of a rebate, whether or not the person is immediately entitled to the award, the amount or value of the award, but no such deduction shall be made in respect of an award—
- (i) made to a tenant for a reason unrelated to the fact that he is a tenant;
- (ii) made under a statutory obligation;
- (iii) made under section 137 of the Local Government Act 1972 ^{M9} or section 83 of the Local Government (Scotland) Act 1973 ^{M10} (power of local authorities to incur expenditure for certain purposes not otherwise authorised);
- (iv) except where sub-paragraph (a)(ii) applies, made as reasonable compensation for reasonable repairs or redecoration the tenant has, or has caused to be, carried out

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whether for payment or not and which the authority would otherwise have carried out or have been required to carry out; or

(v) of a reasonable amount made as compensation for loss, damage or inconvenience of a kind which occurs only exceptionally and which was suffered by the tenant by virtue of his occupation of his home;

^{F166}(d)

(e) during the relevant year an amount is recovered in relation to a departmental error overpayment, within the meaning of article 18(4), the amount so recovered, in a case where the overpayment had occurred and been discovered in a year earlier than the relevant year;

^{F167}(ea) during the relevant year a claimant error overpayment, within the meaning of article 18(4A), is identified, the amount of the overpayment, but only to the extent that the amount of the overpayment or any part of it has not been deducted from qualifying expenditure under article 11(2);]

(f) during the relevant year a fraudulent overpayment, within the meaning of article 18(5), is identified, the amount of the overpayment, but only to the extent that the amount of overpayment or any part of it has not been deducted from qualifying expenditure under article 4 or 19 of the 1994 Order, the 1995 Order, the 1996 Order or the 1997 Order or article 11(2), as the case may be;

(g) subject to sub-paragraphs (e)^{F168}, (ea)] and (f), during the relevant year it is discovered that an overpayment of ^{F169}[housing benefit] has been made, the amount of such overpayment, but only to the extent that—

(i) the amount of such overpayment or any part of it has not been deducted from qualifying expenditure under article 3 of the 1989 Order or the 1990 Order or under article 4 or 15 of the 1991 Order or articles 4 or 16 of the 1992 Order or the 1993 Order or articles 4 or 19 of respectively the 1994 Order, the 1995 Order, the 1996 Order or the 1997 Order, or article 11(2), as the case may be; and

(ii) the amount of the overpayment or any part of it does not include an amount to which ^{F170}[paragraph (18) of regulation 59 of the Housing Benefit (Community Charge Rebates) (Scotland) Regulations 1988 or paragraph (12) of regulation 83 of the Housing Benefit Regulations] (time and manner in which claims are to be made), as the case may be, applied;

(h) during the relevant year any instrument of payment of ^{F171}[housing benefit] issued by an authority during that year is returned to that authority without being presented for payment or is found by that authority to have passed its date of validity without being presented for payment, the amount of any such instrument;

(i) during the relevant year an amount is recovered in respect of which subsidy was paid pursuant to paragraph 6(2) of Schedule 6 to the 1996 Order or the 1997 Order or paragraph 11(2) of Schedule 4 (subsidy on payments on account), the amount so recovered, where the payment on account was made in a year earlier than the relevant year.

(2) Subject to paragraph (3), no deduction shall be made under sub-paragraph (1)(a) where the eligible rent for a tenant has been increased in a case to which that sub-paragraph would apply, but—

(a) any such services, facilities or rights (“improvements”)—

(i) relate solely to the physical needs of the property in question or the needs of that tenant; and

(ii) the increased rent in relation to such improvements is reasonable;

(b) the tenant was eligible whether or not he was a beneficiary; and

- (c) the authority has not let properties, to which they intend to make improvements, either in the relevant year or in the two years preceding that year, solely or largely to beneficiaries.
- (3) In paragraph (2)—
- (a) “beneficiary” has the meaning it is given by article 15(8); and
- (b) in a case to which article 24 applies, sub-paragraph (c) shall have effect as modified by article 24(2).
- (4) Where in relation to any amount of a rebate or allowance a deduction falls to be made under two or more of the sub-paragraphs of paragraph (1), as the case may be, only the higher or highest, or, where the amounts are equal, only one amount, shall be deducted.

Textual Amendments

- F166** Art. 19(1)(d) omitted (with effect in accordance with art. 1(2) of the commencing S.I.) by virtue of [Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2006 \(S.I. 2006/54\)](#) , arts. 1(1) , **3(9)**
- F167** Art. 19(1)(ea) inserted (2.1.2004 with effect in accordance with art. 1(2)) by [Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2003 \(S.I. 2003/3179\)](#) , arts. 1(1) , **8(a)**
- F168** Word in art. 19(1)(g) inserted (2.1.2004 with effect in accordance with art. 1(2)) by [Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2003 \(S.I. 2003/3179\)](#) , arts. 1(1) , **8(b)**
- F169** Words in art. 19(1)(g) substituted (31.10.2021) by [The Income-related Benefits \(Subsidy to Authorities\) and Discretionary Housing Payments \(Grants\) Amendment Order 2021 \(S.I. 2021/1031\)](#) , art. 1(1) , **Sch. 5 para. 12(a)(i)**
- F170** Words in art. 19(1)(g)(ii) substituted (31.10.2021) by [The Income-related Benefits \(Subsidy to Authorities\) and Discretionary Housing Payments \(Grants\) Amendment Order 2021 \(S.I. 2021/1031\)](#) , art. 1(1) , **Sch. 5 para. 12(a)(ii)**
- F171** Words in art. 19(1)(h) substituted (31.10.2021) by [The Income-related Benefits \(Subsidy to Authorities\) and Discretionary Housing Payments \(Grants\) Amendment Order 2021 \(S.I. 2021/1031\)](#) , art. 1(1) , **Sch. 5 para. 12(b)**

Marginal Citations

- M9** 1972 c.70 ; section 137 was amended by the [Local Government \(Miscellaneous Provisions\) Act 1982 \(c.3\)](#) , **section 44** ; the [Local Government Finance Act 1982 \(c.32\)](#) , section 34 , **Schedule 5 paragraph 5** ; the [Local Government Act 1986 \(c.10\)](#) , **section 3** and by the [Local Government and Housing Act 1989 \(c.42\)](#) , section 194 , **Schedule 12** .
- M10** 1973 c.65 ; section 83 was amended by the [Local Government and Planning \(Scotland\) Act 1982 \(c.43\)](#) , **sections 6** and 50; the [Rating and Valuation Amendment \(Scotland\) Act 1987 \(c.31\)](#) , **section 9** ; the [Local Government Act 1986 \(c.10\)](#) , **section 3** ; the [Abolition of Domestic Rates \(Scotland\) Act 1987 \(c.47\)](#) , **Schedule 1 paragraph 27** and by the [Local Government and Housing Act 1989 \(c.42\)](#) , **section 36(9)** .

Deduction from subsidy

20. Where, during the relevant year, it is found by an authority that any instrument of payment issued by it as payment of [F172housing benefit]^{F173} ... on or after 1st April 1988, but before the relevant year, has been returned to that authority without having been presented for payment or has passed its date of validity without having been presented for payment, the deduction referred to in article 13(1) shall be the amount of any subsidy that has been paid in respect of that instrument.

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Textual Amendments

F172 Words in art. 20 substituted (31.10.2021) by [The Income-related Benefits \(Subsidy to Authorities\) and Discretionary Housing Payments \(Grants\) Amendment Order 2021 \(S.I. 2021/1031\)](#), art. 1(1), **Sch. 5 para. 13**

F173 Words in art. 20 omitted (9.11.2015) by virtue of [The Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2015 \(S.I. 2015/1784\)](#), arts. 1(1), **5(5)**

[^{F174}Deductions from subsidy for rebate for dwellings within the Housing Revenue Account: authorities in Wales

20A.—(1) Paragraph (2) applies in relation to an authority in Wales.

(2) Where paragraph 2 of Schedule 4A applies, the deduction from subsidy referred to in article 13(1) shall be calculated in accordance with paragraph 3 of that Schedule.]

Textual Amendments

F174 [Art. 20A](#) substituted (with effect in accordance with art. 2(3)(a) of the amending S.I.) by [The Income-related Benefits \(Subsidy to Authorities\) and Discretionary Housing Payments \(Grants\) Amendment Order 2021 \(S.I. 2021/1031\)](#), arts. 1(1), **5(1)**

Additions to and deductions from subsidy in respect of benefit savings

^{F175}21.

Textual Amendments

F175 Art. 21 omitted (with effect in accordance with art. 1(2) of the commencing S.I.) by virtue of [Income-related Benefits \(Subsidy to Authorities\) Amendment Order 2008 \(S.I. 2008/196\)](#), arts. 1(1), **2(4)**

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Changes to legislation:

There are currently no known outstanding effects for the The Income-related Benefits (Subsidy to Authorities) Order 1998, PART III.