

2007 No. 572

HOUSING, ENGLAND

**The Rent Repayment Orders (Supplementary Provisions)
(England) Regulations 2007**

<i>Made</i>	- - - -	<i>27th February 2007</i>
<i>Laid before Parliament</i>		<i>6th March 2007</i>
<i>Coming into force</i>	- -	<i>6th April 2007</i>

The Secretary of State, in exercise of the powers conferred by sections 74(15) and 97(15) of the Housing Act 2004(a) makes these Regulations:

Citation, commencement, application and interpretation

1.—(1) These Regulations may be cited as the Rent Repayment Orders (Supplementary Provisions) (England) Regulations 2007 and shall come into force on 6th April 2007.

(2) These Regulations apply in relation to England only.

(3) In these Regulations, “the Act” means the Housing Act 2004.

Overpayments of housing benefit

2.—(1) Paragraph (2) applies if, in the course of proceedings on an application under subsection (5) of section 73 of the Act (other consequences of operating unlicensed HMOs(b): rent repayment orders) or subsection (5) of section 96 of the Act (other consequences of operating unlicensed houses(c): rent repayment orders), it comes to the notice of the local housing authority that in respect of periodical payments payable in connection with occupation of the part or parts of the HMO or of the whole or part of the house to which the application applies there may have been a payment of housing benefit(d) that was not properly payable.

(2) A local housing authority may apply to the residential property tribunal for leave to amend their application by substituting for the total amount of housing benefit paid, such part of that amount as they believe is properly payable.

(3) For the purposes of paragraphs (1) and (2)—

(a) an amount of housing benefit is properly payable if the person to whom, or in respect of whom, it is paid is entitled to it under the Housing Benefit Regulations 2006(e) or the Housing Benefit (Persons who have attained the qualifying age for state pension credit)

(a) 2004 c.34. The powers conferred by sections 74(15) and 97(15) of the Act are exercisable, as respects England, by the Secretary of State and, as respects Wales, by the National Assembly for Wales. See the definition of the “appropriate national authority” in section 261(1).

(b) As to the meaning of “HMO”, see sections 55(2) and 77 of the Act.

(c) As to the meaning of “house”, see section 99 of the Act

(d) As to “housing benefit”, and “periodical payments”, see section 96(10) of the Act.

(e) S.I. 2006/213.

Regulations 2006(a) (whether on the initial decision or as subsequently revised or superseded or further revised or superseded), and

- (b) “overpayment of housing benefit” has the meaning given by regulation 99 of the Housing Benefit Regulations 2006 or, as the case may be, regulation 80 of the Housing Benefit (Persons who have obtained the qualifying age for state pension credit) Regulations 2006.

3.—(1) Subject to paragraph (3), a local housing authority may apply an amount recovered under a rent repayment order for any of the purposes mentioned in paragraph (2).

(2) The purposes are the reimbursement of the authority’s costs and expenses (whether administrative or legal) incurred in, or associated with—

- (a) the making of the application under section 73(5) of the Act or, as the case may be, section 96(5) of the Act;
- (b) the registration and enforcement of any legal charge under section 74(9)(b) or 97(9)(b) of the Act on the relevant property;
- (c) dealing with any application for the grant of a licence in respect of the relevant property under Part 2 of the Act (licensing of HMOs) or, as the case may be, Part 3 of the Act (selective licensing of other residential accommodation);
- (d) the prosecution of the appropriate person for an offence under section 72(1) of the Act or, as the case may be, section 95(1) of the Act, in relation to the relevant property (whether proceedings are instituted before or after the making of the order);
- (e) the making of an interim or final management order under Chapter 1 of Part 4 of the Act (interim and final management orders) in respect of the relevant property (whether the management order is made before or after the making of the rent repayment order);
- (f) the management of the relevant property while an interim or final management order is in force;
- (g) the execution of works undertaken in relation to the relevant property while an interim management order is in force; and
- (h) the preparation of, or execution of works under, a management scheme under section 119 of the Act (management schemes and accounts) while a final management order is in force.

(3) Nothing in paragraph (1) authorises the application of an amount by way of reimbursement of an authority’s costs or expenses where a court or residential property tribunal has made an order with respect to all or some of those costs or expenses.

(4) In paragraph (2), “the relevant property” means the HMO or house to which the rent repayment order relates.

Treatment of surpluses

4. An amount recovered under a rent repayment order which is not applied for a purpose mentioned in regulation 3(2), shall be paid into the Consolidated Fund.

Signed by authority of the Secretary of State
for Communities and Local Government

27th February 2007

Kay Andrews
Parliamentary Under-Secretary of State
Department for Communities and Local Government

(a) S.I. 2006/214.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations, which apply in relation to England only, supplement the provisions of sections 73, 74, 96 and 97 of the Housing Act 2004 (“the Act”). Those sections deal with the consequences of operating unlicensed houses in multiple occupation (“HMOs”) or certain other unlicensed houses. In particular, they deal with the making of rent repayment orders (“RROs”) by a residential property tribunal on the application of a local housing authority.

RROs cannot be made unless the tribunal is satisfied as to a number of matters. The matter that is relevant for the purposes of these Regulations is that housing benefit has been paid by virtue of a scheme under section 123 of the Social Security Contributions and Benefits Act 1992 (c.4) in respect of periodical payments connected with the occupation of a part or parts of the HMO (section 73(6)(b) of the Act) or the whole or any part or parts of the house (section 96(6)(b) of the Act), during a period during which it appears to the tribunal that an offence under section 72(1) of the Act (for HMOs) or section 95(1) of the Act (for other houses) was being committed.

Where the tribunal is satisfied that a person has been convicted of an offence under section 72(1) or 95(1) of the Act and that housing benefit was paid as mentioned in the previous paragraph, section 74(2) of the Act (for HMOs) and section 97(2) of the Act (for other houses) requires the tribunal to make a RRO. The order must require the person who, at the time that the housing benefit was paid, was entitled to receive the periodical payments in respect of which the housing benefit was paid (“the appropriate person”) to pay to the local housing authority an amount equal to the total amount of housing benefit paid during the period during which it appears to the tribunal that an offence under section 72(1) of the Act (for HMOs) or section 95(1) of the Act (for other houses) was being committed.

Regulation 2 of these Regulations permits a local housing authority that has made an application for a RRO to seek leave from the tribunal to amend its application where it believes that there has been an overpayment of housing benefit so that the application is in respect of the amount of housing benefit that the local housing authority believes is properly payable under the Housing Benefit Regulations 2006 or the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006. Paragraph (3) of regulation 2 defines “properly payable”.

Regulation 3 specifies the purposes for which monies received by a local housing authority under a RRO may be applied. There is an exception relating to costs and expenses which are the subject of an order of a court or residential property tribunal.

Regulation 4 requires a local housing authority to pay into the Consolidated Fund amounts received under a RRO that are not applied for a purpose specified in regulation 3.

A full regulatory impact assessment has not been produced for this instrument as no impact on the private or voluntary sectors is foreseen.

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