



# Housing Act 1985

## 1985 CHAPTER 68

### PART XIII

#### GENERAL FINANCIAL PROVISIONS

##### *Housing subsidy*

#### **425 The local contribution differential.**

- (1) A [<sup>F1</sup>[<sup>F2</sup>development] corporation's] local contribution differential for a year of account is the amount by which their reckonable income for that year exceeds their reckonable income for the preceding year (and accordingly is nil or, as the case may be, a negative amount if their reckonable income for the year is the same as or less than that for the preceding year).
- (2) [<sup>F3</sup>A corporation's] reckonable income for a year is the amount which, in accordance with any determination made by the Secretary of State, the [<sup>F4</sup>corporation] are assumed to receive for that year as income which they are required to carry to their [<sup>F3</sup>housing account] including—
  - (a) any contribution made by the [<sup>F4</sup>corporation] out of their [<sup>F3</sup>general revenue account], and
  - (b) any rent rebate subsidy payable under [<sup>F5</sup>[<sup>F6</sup>section 140A]of the Social Security Administration Act 1992],but excluding any other subsidy, grant or contribution.
- (3) A determination shall state the assumptions on which it is based and the method of calculation used in it, and in making it the Secretary of State shall have regard, amongst other things, to past and expected movements in incomes, costs and prices.
- [<sup>F7</sup>(4) A determination may be made for all [<sup>F2</sup>development] corporations or different determinations may be made for different corporations or groups of corporations.]

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*Changes to legislation: Housing Act 1985, Section 425 is up to date with all changes known to be in force on or before 20 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

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- (5) Before making a determination for all [<sup>F8</sup>[<sup>F2</sup>development] corporations] the Secretary of State shall consult organisations appearing to him to be representative of [<sup>F8</sup>[<sup>F2</sup>development] corporations].
- (6) A determination shall be made known to the [<sup>F9</sup>corporations] for which it is made in the year preceding the year of account for which it is to have effect.

#### Textual Amendments

- F1** Words substituted by Local Government and Housing Act 1989 (c. 42, SIF 61), s. 194(1), **Sch. 11 para. 81(1)**
- F2** Words in s. 425 substituted (1.12.2008) by The Housing and Regeneration Act 2008 (Consequential Provisions) Order 2008 (S.I. 2008/3002), art. 4, **Sch. 1 para. 15** (with Sch. 2); S.I. 2008/3068, arts. 1(2), **2(1)(b)**, (with arts. 6-13)
- F3** Words substituted by Local Government and Housing Act 1989 (c.42, SIF 61), s. 194(1), **Sch. 11 para. 81(2)**
- F4** Word substituted by Local Government and Housing Act 1989 (c. 42, SIF 61), s. 194(1), **Sch. 11 para. 81(2)**
- F5** Words in s. 425(2)(b) substituted (1.7.1992) by virtue of Social Security (Consequential Provisions) Act 1992 (c. 6), ss. 4, 7(2), **Sch. 2 para. 70**
- F6** Words in s. 425(2)(b) substituted (1.4.1997) by 1996 c. 52, s. 123, **Sch. 13 para. 2**; S.I. 1997/618, **art. 2** (subject to transitional provisions and savings in Sch.)
- F7** S. 425(4) substituted by Local Government and Housing Act 1989 (c. 42, SIF 61), s. 194(1), **Sch. 11 para. 81(3)**
- F8** Words substituted by Local Government and Housing Act 1989 (c. 42, SIF 61), s. 194(1), **Sch. 11 para. 81(4)**
- F9** Word substituted by Local Government and Housing Act 1989 (c. 42, SIF 61), s. 194(1), **Sch. 11 para. 81(5)**

#### Modifications etc. (not altering text)

- C1** Ss. 421–427A: by Local Government and Housing Act 1989 (c. 42, SIF 61), **s. 79(3)** it is provided that sections 421 to 427A of the Housing Act 1985 (which are superseded, in their application to local housing authorities, by that section 79 and sections 80 and 86 of that 1989 Act) shall cease to apply in relation to such authorities

**Changes to legislation:**

Housing Act 1985, Section 425 is up to date with all changes known to be in force on or before 20 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.

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**Changes and effects yet to be applied to :**

- specified provision(s) savings for amendments by 2018 anaw 1, s. 6, Sch. 6 by [S.I. 2019/110 reg. 5](#)

**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

- Act savings and transitional provisions for amendments by [S.I. 2022/1166](#) by [S.I. 2022/1172 Regulations](#)

**Whole provisions yet to be inserted into this Act (including any effects on those provisions):**

- s. 81A-81D and cross-heading inserted by [2016 c. 22 Sch. 7 para. 4](#) (This provision is amended by [2021 c. 7, ss. 79\(3\), 90\(6\)](#); [S.I. 2021/1038, reg. 3\(c\)](#))
- s. 81B(1)(b) words inserted by [2018 c. 11 s. 1\(3\)](#)
- s. 81B(2A)-(2C) inserted by [2018 c. 11 s. 1\(2\)](#)
- s. 81B(2C) words substituted by [2021 c. 17 s. 79\(3\)\(a\)\(i\)](#) (This amendment not applied to [legislation.gov.uk](#). The insertion of s. 81B by [2016 c. 22, Sch. 7 para. 4](#) is still prospective)
- s. 81B(2C) words substituted by [2021 c. 17 s. 79\(3\)\(a\)\(ii\)](#) (This amendment not applied to [legislation.gov.uk](#). The insertion of s. 81B by [2016 c. 22, Sch. 7 para. 4](#) is still prospective)
- s. 81B(2D) inserted by [2021 c. 17 s. 79\(3\)\(b\)](#) (This amendment not applied to [legislation.gov.uk](#). The insertion of s. 81B by [2016 c. 22, Sch. 7 para. 4](#) is still prospective)
- s. 82(A1)(A2) inserted by [2016 c. 22 s. 119\(2\)\(a\)](#)
- s. 82A(4A)(4B) inserted by [2016 c. 22 Sch. 7 para. 7\(2\)](#)
- s. 86(1A)(1B) inserted by [2016 c. 22 Sch. 7 para. 10\(3\)](#)
- s. 86(1C) inserted by [2016 c. 22 Sch. 8 para. 2](#)
- s. 86A-86F and cross-headings inserted by [2016 c. 22 Sch. 7 para. 11](#)
- s. 86G s. 86A renumbered as s. 86G by [2016 c. 22 Sch. 8 para. 3\(1\)\(a\)](#)
- s. 86G(8) inserted by [2016 c. 22 Sch. 8 para. 3\(2\)](#)
- s. 88(1)(ba) inserted by [2016 c. 22 Sch. 8 para. 4](#)
- s. 89(2A)-(2D) inserted by [2016 c. 22 Sch. 8 para. 5\(3\)](#)
- s. 97(1A) inserted by [2016 c. 22 Sch. 7 para. 12\(3\)](#)
- s. 99A(1A) inserted by [2016 c. 22 Sch. 7 para. 13\(3\)](#)
- s. 115B115C inserted by [2016 c. 22 Sch. 7 para. 15](#)
- s. 115B115C inserted by [2016 c. 22 Sch. 7 para. 15](#)
- s. 305(1A) inserted by [2023 asc 3 Sch. 13 para. 68\(b\)](#)
- s. 306(1A) inserted by [2023 asc 3 Sch. 13 para. 69\(b\)](#)
- s. 353A inserted by [1996 c. 52 s. 73\(1\)](#) (This amendment not applied to [legislation.gov.uk](#). S. 73 repealed (6.4.2006 for E., 16.6.2006 for W.) by [2004 c. 34, Sch. 16](#); [S.I. 2006/1060, art. 2\(1\)\(e\), Sch.](#); [S.I. 2006/1535, art. 2\(c\), Sch.](#))
- s. 582(6)(aa)-(ac) substituted for s. 582(6)(a) by [2023 c. 55 Sch. 18 para. 4\(2\)\(b\)](#)
- Sch. 1 para. 1ZA and cross-heading inserted by [2016 c. 22 Sch. 7 para. 17\(2\)](#)
- Sch. 5A para. 3(3)(aa) inserted by [2023 c. 55 Sch. 18 para. 4\(3\)\(b\)\(ii\)](#)
- Sch. 5A para. 3(6A) inserted by [2023 c. 55 Sch. 18 para. 4\(3\)\(d\)](#)