



Housing Act 1985

1985 CHAPTER 68

PART XIV

LOANS FOR ACQUISITION OR IMPROVEMENT OF HOUSING

[^{F1} Loans in respect of service charges]

[^{F1}450C Supplementary provisions as to regulations under s. 450A or 450B.

- (1) This section applies to regulations under section 450A or 450B (regulations conferring right to loan, or power to make loan, in respect of service charges).
- (2) The regulations may provide that the right or, as the case may be, the power does not arise in the case of any prescribed description of landlord.
- (3) The regulations shall provide that the loan—
 - (a) in the case of a loan made in pursuance of regulations under section 450A (the right to a loan), shall be on such terms as may be prescribed, and
 - (b) in the case of a loan made by virtue of regulations under section 450B (power to make loan), shall be on such terms as the lender may determine subject to any provision made by the regulations;

and shall, in either case, be secured by a mortgage of the flat in question, but may be made whether or not the flat is adequate security for the loan.

- (4) The regulations may—
 - ^{F2}(a) [^{F3}in a case where a rate of interest is payable on some or all of] the loan, either prescribe the rate or provide that the rate shall be such reasonable rate as may be determined by the lender or, where the lender is a local authority, provide that Schedule 16 applies (local authority mortgage interest rates);
 - ^{F4}[^{F5}(aa) in a case where amounts calculated by reference to the market value of the flat are payable instead of (or as well as) interest, make provision about calculating the market value of the flat (including imposing charges for the services of district valuers);]

Changes to legislation: Housing Act 1985, Section 450C is up to date with all changes known to be in force on or before 27 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

- (b) as regards administrative expenses of the lender in connection with a loan, provide that the lender may charge such expenses to the borrower, to the extent that they do not exceed such amount as may be prescribed, and that the expenses so charged may, at the option of the borrower in the case of a loan under section 450A and at the option of the lender in the case of a loan under section 450B, be added to the amount of the loan.
- (5) The regulations may apply whenever the lease in question was granted or assigned and whenever the service charge in question became payable.
- (6) The regulations—
- (a) may make different provision for different cases or descriptions of case, including different provision for different areas;
 - (b) may contain such incidental, supplementary and transitional provisions as the Secretary of State considers appropriate; and
 - (c) shall be made by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.]

Textual Amendments

- F1** Ss. 450A, 450B, 450C and cross heading inserted (13.7.1992) by [Housing and Planning Act 1986](#) (c. 63, SIF 61), [s. 5](#); S.I. 1992/1753, [art.2\(1\)](#)
- F2** Words in s. 450C(4)(a) substituted (1.12.2008 for E. for specified purposes, 19.8.2011 for W.) by [Housing and Regeneration Act 2008](#) (c. 17), [ss. 308\(1\)\(a\)](#), 325(1); S.I. 2008/3068, [art. 4\(8\)](#) (with arts. 6-13); S.I. 2011/1863, [art. 3\(1\)](#)
- F3** Words in s. 450C(4)(a) substituted (1.12.2008 for E. for specified purposes, 19.8.2011 for W.) by [Housing and Regeneration Act 2008](#) (c. 17), [ss. 308\(1\)\(a\)](#), 325(1); S.I. 2008/3068, [art. 4\(8\)](#) (with arts. 6-13); S.I. 2011/1863, [art. 3\(1\)](#)
- F4** S. 450C(4)(aa) inserted (1.12.2008 for E. for specified purposes, 19.8.2011 for W.) by [Housing and Regeneration Act 2008](#) (c. 17), [ss. 308\(1\)\(b\)](#), 325(1); S.I. 2008/3068, [art. 4\(8\)](#) (with arts. 6-13); S.I. 2011/1863, [art. 3\(1\)](#)
- F5** S. 450C(4)(aa) inserted (1.12.2008 for E. for specified purposes, 19.8.2011 for W.) by [Housing and Regeneration Act 2008](#) (c. 17), [ss. 308\(1\)\(b\)](#), 325(1); S.I. 2008/3068, [art. 4\(8\)](#) (with arts. 6-13); S.I. 2011/1863, [art. 3\(1\)](#)

Modifications etc. (not altering text)

- C1** S. 450C(3) powers extended (1.12.2008 for E. for specified purposes, 19.8.2011 for W.) by [Housing and Regeneration Act 2008](#) (c. 17), [s. 308\(2\)\(3\)](#)325(1); S.I. 2008/3068, [art. 4\(8\)](#) (with arts. 6-13); S.I. 2011/1863, [art. 3\(1\)](#)
- C2** S. 450C(3): power extended (1.12.2008 for E. and otherwise prosp.) by [Housing and Regeneration Act 2008](#) (c. 17), [ss. 308\(2\)](#), 325 (with s. 308(3)); S.I. 2008/3068, [arts. 1\(2\)](#), [4\(2\)\(8\)](#) (with arts. 6-13)

Changes to legislation:

Housing Act 1985, Section 450C is up to date with all changes known to be in force on or before 27 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\(3\)\(d\)](#)