



Housing Associations Act 1985

1985 CHAPTER 69

PART III

[^{F1} THE HOUSING CORPORATION][^{F1} SOCIAL HOUSING IN WALES]

[^{F1} Relevant Authority's] powers with respect to grants and loans

Textual Amendments

F1 Words in Pt. III (ss. 74-102) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 28(a)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

79 Lending powers.

- [^{F2}(1) The [^{F3}Welsh Ministers] may lend to a registered social landlord or an unregistered self-build society^{F4} ... for the purpose of enabling the body to meet the whole or part of expenditure incurred or to be incurred by it in carrying out its objects.
- (2) The [^{F5}Welsh Ministers] may lend to an individual for the purpose of enabling him to acquire from—
- (a) the [^{F6}Welsh Ministers], or
 - (b) [^{F7}a registered social landlord or an unregistered self-build society,] a legal estate or interest in a dwelling which he intends to occupy.]
- (3) A loan under this section may be by way of temporary loan or otherwise, and the terms of a loan made under subsection (1) may include (though the terms of a loan made under subsection (2) may not) terms for preventing repayment of the loan or part of it before a specified date without the consent of the [^{F8}Welsh Ministers].
- [^{F9}(4) Subject to that, the terms of a loan under this section shall be such as the Welsh Ministers determine either generally or in a particular case.]

Changes to legislation: There are currently no known outstanding effects for the Housing Associations Act 1985, Cross Heading: Relevant Authority's powers with respect to grants and loans. (See end of Document for details)

Textual Amendments

- F2** S. 79(1)(2) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 35(2)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F3** Words in s. 79(1) substituted (E.W.) (1.4.2010) by **The Housing and Regeneration Act 2008 (Consequential Provisions) Order 2010** (S.I. 2010/866), art. 1(2), **Sch. 2 para. 51(2)(a)** (with art. 6, Sch. 3)
- F4** Words in s. 79(1) repealed (E.W.) (1.4.2010) by **The Housing and Regeneration Act 2008 (Consequential Provisions) Order 2010** (S.I. 2010/866), art. 1(2), Sch. 2 para. 51(2)(b), **Sch. 4** (with art. 6, Sch. 3)
- F5** Words in s. 79(2) substituted (E.W.) (1.4.2010) by **The Housing and Regeneration Act 2008 (Consequential Provisions) Order 2010** (S.I. 2010/866), art. 1(2), **Sch. 2 para. 51(3)(a)** (with art. 6, Sch. 3)
- F6** Words in s. 79(2)(a) substituted (E.W.) (1.4.2010) by **The Housing and Regeneration Act 2008 (Consequential Provisions) Order 2010** (S.I. 2010/866), art. 1(2), **Sch. 2 para. 51(3)(b)** (with art. 6, Sch. 3)
- F7** S. 79(2)(b) substituted (E.W.) (1.4.2010) by **The Housing and Regeneration Act 2008 (Consequential Provisions) Order 2010** (S.I. 2010/866), art. 1(2), **Sch. 2 para. 51(3)(c)** (with art. 6, Sch. 3)
- F8** Words in s. 79(3) substituted (E.W.) (1.4.2010) by **The Housing and Regeneration Act 2008 (Consequential Provisions) Order 2010** (S.I. 2010/866), art. 1(2), **Sch. 2 para. 51(4)** (with art. 6, Sch. 3)
- F9** S. 79(4) substituted (E.W.) (1.4.2010) by **The Housing and Regeneration Act 2008 (Consequential Provisions) Order 2010** (S.I. 2010/866), art. 1(2), **Sch. 2 para. 51(5)** (with art. 6, Sch. 3)

Modifications etc. (not altering text)

- C1** S. 79: transfer of functions (E.W.) (1.12.2008 for specified purposes) by **The Transfer of Housing Corporation Functions (Modifications and Transitional Provisions) Order 2008** (S.I. 2008/2839), arts. 1(1), 2 (see S.I. 2008/3068, art. 2(1)(b))
- C2** S. 79 modified (E.W.) (1.12.2008) by **The Transfer of Housing Corporation Functions (Modifications and Transitional Provisions) Order 2008** (S.I. 2008/2839), arts. 1(1), 3, **Sch. para. 3** (with art. 6) (see S.I. 2008/3068, art. 2(1)(b))

80 Security for loans to unregistered self-build societies.

- (1) Where the ^{F10}Welsh Ministers—
- (a) ^{F11}make] a loan to an unregistered self-build society under section 79(1); and
 - (b) under a mortgage ^{F12}... entered into by the society to secure the loan ^{F13}have] an interest as mortgagee or creditor in land belonging to the society,
- ^{F14}they may^{F15}... give the society directions with respect to the disposal of the land.
- (2) The society shall comply with directions so given so long as the ^{F16}Welsh Ministers continue] to have such an interest in the land.
- (3) Directions so given may be varied or revoked by subsequent directions ^{F17}... .
- ^{F18}(3A).....
- (4) ^{F19}The Welsh Ministers shall not give directions under this section requiring a society to transfer its interest in land to them or any other person unless they are satisfied] that arrangements have been made which will secure that the members of the society receive fair treatment in connection with the transfer.

Changes to legislation: There are currently no known outstanding effects for the Housing Associations Act 1985,
Cross Heading: Relevant Authority's powers with respect to grants and loans. (See end of Document for details)

Textual Amendments

- F10** Words in s. 80(1) substituted (E.W.) (1.4.2010) by [The Housing and Regeneration Act 2008 \(Consequential Provisions\) Order 2010 \(S.I. 2010/866\)](#), art. 1(2), **Sch. 2 para. 52(2)(a)** (with art. 6, Sch. 3)
- F11** Word in s. 80(1)(a) substituted (E.W.) (1.4.2010) by [The Housing and Regeneration Act 2008 \(Consequential Provisions\) Order 2010 \(S.I. 2010/866\)](#), art. 1(2), **Sch. 2 para. 52(2)(b)** (with art. 6, Sch. 3)
- F12** Words in s. 80(1)(b) repealed (E.W.) (1.4.2010) by [The Housing and Regeneration Act 2008 \(Consequential Provisions\) Order 2010 \(S.I. 2010/866\)](#), art. 1(2), Sch. 2 para. 52(2)(c)(i), **Sch. 4** (with art. 6, Sch. 3)
- F13** Word in s. 80(1)(b) substituted (E.W.) (1.4.2010) by [The Housing and Regeneration Act 2008 \(Consequential Provisions\) Order 2010 \(S.I. 2010/866\)](#), art. 1(2), **Sch. 2 para. 52(2)(c)(ii)** (with art. 6, Sch. 3)
- F14** Words in s. 80(1) substituted (E.W.) (1.4.2010) by [The Housing and Regeneration Act 2008 \(Consequential Provisions\) Order 2010 \(S.I. 2010/866\)](#), art. 1(2), **Sch. 2 para. 52(2)(d)** (with art. 6, Sch. 3)
- F15** Words in s. 80(1) repealed (1.11.1998) by 1998 c. 38, ss. 140, 152, Sch. 16 para. 36(2), **Sch. 18 Pt. VI** (with ss. 137(1), 139(2), 141(1), 143(2)); S.I. 1998/2244, **art. 5**
- F16** Words in s. 80(2) substituted (E.W.) (1.4.2010) by [The Housing and Regeneration Act 2008 \(Consequential Provisions\) Order 2010 \(S.I. 2010/866\)](#), art. 1(2), **Sch. 2 para. 52(3)** (with art. 6, Sch. 3)
- F17** Words in s. 80(3) repealed (1.11.1998) by 1998 c. 38, ss. 140, 152, Sch. 16 para. 36(3), **Sch. 18 Pt. VI** (with ss. 137(1), 139(2), 141(1), 143(2)); S.I. 1998/2244, **art. 5**
- F18** S. 80(3A) repealed (E.W.) (1.4.2010) by [The Housing and Regeneration Act 2008 \(Consequential Provisions\) Order 2010 \(S.I. 2010/866\)](#), art. 1(2), Sch. 2 para. 52(4), **Sch. 4** (with art. 6, Sch. 3)
- F19** Words in s. 80(4) substituted (E.W.) (1.4.2010) by [The Housing and Regeneration Act 2008 \(Consequential Provisions\) Order 2010 \(S.I. 2010/866\)](#), art. 1(2), **Sch. 2 para. 52(5)** (with art. 6, Sch. 3)

Modifications etc. (not altering text)

- C3** S. 80: transfer of functions (E.W.) (1.12.2008) by [The Transfer of Housing Corporation Functions \(Modifications and Transitional Provisions\) Order 2008 \(S.I. 2008/2839\)](#), arts. 1(1), **2** (see S.I. 2008/3068, art. 2(1)(b))
- C4** S. 80 modified (E.W.) (1.12.2008) by [The Transfer of Housing Corporation Functions \(Modifications and Transitional Provisions\) Order 2008 \(S.I. 2008/2839\)](#), arts. 1(1), 3, **Sch. para. 3** (with art. 6) (see S.I. 2008/3068, art. 2(1)(b))

81 Further advances in case of disposal on shared ownership lease.

Where—

- (a) a lease of a dwelling, granted otherwise than in pursuance of the provisions of Part V of the ^{M1}Housing Act 1985 (the right to buy) relating to shared ownership leases, contains a provision to the like effect as that required by paragraph 1 of Schedule 8 to that Act (terms of shared ownership lease: right of tenant to acquire additional shares), and
- (b) the [^{F20}Welsh Ministers have], in exercise of any of [^{F21}their] powers, left outstanding or advanced any amount on the security of the dwelling,

that power includes power to advance further amounts for the purpose of assisting the tenant to make payments in pursuance of that provision.

*Changes to legislation: There are currently no known outstanding effects for the Housing Associations Act 1985,
 Cross Heading: Relevant Authority's powers with respect to grants and loans. (See end of Document for details)*

Textual Amendments

- F20** Words in s. 81(b) substituted (1.4.2010) by [The Housing and Regeneration Act 2008 \(Consequential Provisions\) Order 2010 \(S.I. 2010/866\)](#), art. 1(2), **Sch. 2 para. 53(a)** (with art. 6, Sch. 3)
- F21** Word in s. 81(b) substituted (1.4.2010) by [The Housing and Regeneration Act 2008 \(Consequential Provisions\) Order 2010 \(S.I. 2010/866\)](#), art. 1(2), **Sch. 2 para. 53(b)** (with art. 6, Sch. 3)

Modifications etc. (not altering text)

- C5** S. 81 modified (1.12.2008) by [The Transfer of Housing Corporation Functions \(Modifications and Transitional Provisions\) Order 2008 \(S.I. 2008/2839\)](#), arts. 1(1), 3, **Sch. para. 3** (with art. 6) (see S.I. 2008/3068, art. 2(1)(b))
- C6** S. 81: transfer of functions (1.12.2008) by [The Transfer of Housing Corporation Functions \(Modifications and Transitional Provisions\) Order 2008 \(S.I. 2008/2839\)](#), arts. 1(1), 2 (see S.I. 2008/3068, art. 2(1)(b))

Marginal Citations

- M1** 1985 c. 68.

82 Loans made under s. 2 of the Housing Act 1964.

Schedule 7 (further powers of ^{F22}Relevant Authority] with respect to land of certain housing associations) applies where a loan has been made to a housing association under section 2 of the ^{M2}Housing Act 1964 and the loan has not been repaid.

Textual Amendments

- F22** Words in Pt. III (ss. 74-102) substituted (1.11.1998) by [1998 c. 38, s. 140, Sch. 16 para. 28\(a\)](#) (with ss. 139(2), 143(2)); [S.I. 1998/2244](#), **art. 5**

Marginal Citations

- M2** 1964 c. 56.

83 Power to guarantee loans.

^{F23}(1) The Welsh Ministers may guarantee the repayment of the principal of, and the payment of interest on, sums borrowed by registered social landlords or unregistered self-build societies.

(2) A guarantee may be subject to terms and conditions.]

^{F24}(3A) The aggregate amount outstanding in respect of—

- (a) loans for ^{F25}which the Welsh Ministers (or National Assembly for Wales, Secretary of State or Housing for Wales) have] given a guarantee under this section, and
- (b) payments made ^{F26}by the Welsh Ministers (or National Assembly for Wales, Secretary of State or Housing for Wales) in] meeting an obligation arising by virtue of such a guarantee and not repaid ^{F27}to the Welsh Ministers (or National Assembly for Wales, Secretary of State or Housing for Wales)],

shall not exceed £30 million or such greater sum not exceeding £50 million ^{F28}as the Welsh Ministers may specify by order].]

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- [^{F29}(4) An order under subsection (3A)—
- (a) shall be made by statutory instrument, and
 - (b) shall not be made unless, a draft of the order has been laid before, and approved by a resolution of, the National Assembly for Wales.]

Textual Amendments

- F23** S. 83(1)(2) substituted for s. 83(1)-(3) (E.W.) (1.4.2010) by [The Housing and Regeneration Act 2008 \(Consequential Provisions\) Order 2010 \(S.I. 2010/866\)](#), art. 1(2), **Sch. 2 para. 54(2)** (with art. 6, Sch. 3)
- F24** S. 83(3A) inserted by [Housing Act 1988 \(c. 50, SIF 61\)](#), s. 59(2)(3)(4), **Sch. 6 Pt. III para. 34(2)**
- F25** Words in s. 83(3A)(a) substituted (E.W.) (1.4.2010) by [The Housing and Regeneration Act 2008 \(Consequential Provisions\) Order 2010 \(S.I. 2010/866\)](#), art. 1(2), **Sch. 2 para. 54(3)(a)** (with art. 6, Sch. 3)
- F26** Words in s. 83(3A)(b) substituted (E.W.) (1.4.2010) by [The Housing and Regeneration Act 2008 \(Consequential Provisions\) Order 2010 \(S.I. 2010/866\)](#), art. 1(2), **Sch. 2 para. 54(3)(b)(i)** (with art. 6, Sch. 3)
- F27** Words in s. 83(3A)(b) substituted (E.W.) (1.4.2010) by [The Housing and Regeneration Act 2008 \(Consequential Provisions\) Order 2010 \(S.I. 2010/866\)](#), art. 1(2), **Sch. 2 para. 54(3)(b)(ii)** (with art. 6, Sch. 3)
- F28** Words in s. 83(3A) substituted (E.W.) (1.4.2010) by [The Housing and Regeneration Act 2008 \(Consequential Provisions\) Order 2010 \(S.I. 2010/866\)](#), art. 1(2), **Sch. 2 para. 54(3)(c)** (with art. 6, Sch. 3)
- F29** S. 83(4) substituted (E.W.) (1.4.2010) by [The Housing and Regeneration Act 2008 \(Consequential Provisions\) Order 2010 \(S.I. 2010/866\)](#), art. 1(2), **Sch. 2 para. 54(4)** (with art. 6, Sch. 3)

Modifications etc. (not altering text)

- C7** S. 83 modified (E.W.) (1.12.2008) by [The Transfer of Housing Corporation Functions \(Modifications and Transitional Provisions\) Order 2008 \(S.I. 2008/2839\)](#), arts. 1(1), 3, **Sch. para. 3** (with art. 6) (see S.I. 2008/3068, art. 2(1)(b))
- C8** S. 83: transfer of functions (E.W.) (1.12.2008 for specified purposes) by [The Transfer of Housing Corporation Functions \(Modifications and Transitional Provisions\) Order 2008 \(S.I. 2008/2839\)](#), arts. 1(1), 2 (see S.I. 2008/3068, art. 2(1)(b))

84 [^{F30}Agreements to indemnify certain lenders]

- (1) The [^{F31}Welsh Ministers] may ^{F32} . . . enter into an agreement with—
- (a) a building society lending on the security of a house, or
 - (b) a recognised body making a relevant advance on the security of a house,
- whereby, in the event of default by the mortgagor, and in circumstances and subject to conditions specified in the agreement, the [^{F31}Welsh Ministers][^{F33}bind themselves] to indemnify the society or body in respect of the whole or part of the mortgagor's outstanding indebtedness and any loss or expense falling on the society or body in consequence of the mortgagor's default.
- (2) The agreement may also, if the mortgagor is made party to it, enable or require the [^{F31}Welsh Ministers] in specified circumstances to take a transfer of the mortgage and assume rights and liabilities under it, the building society or recognised body being then discharged in respect of them.
- (3) The transfer may be made to take effect—

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- (a) on terms provided for by the agreement (including terms involving substitution of a new mortgage agreement or modification of the existing one), and
- (b) so that the [^{F31}Welsh Ministers][^{F34}are] treated as acquiring (for and in relation to the purposes of the mortgage) the benefit and burden of all preceding acts, omissions and events.

^{F35}(4)

- (5) [^{F36}The Welsh Ministers shall, before entering into an agreement in a form about which they have not] previously consulted under this subsection, consult—
 - (a) in the case of a form of agreement with a building society, [^{F37}the Financial Conduct Authority, the Prudential Regulation Authority] and such organisations representative of building societies and local authorities as [^{F38}they think] expedient, and
 - (b) in the case of a form of agreement with a recognised body, such organisations representative of such bodies and local authorities as [^{F38}they think] expedient.

^{F39}(6)

Textual Amendments

- F30** S. 84 heading substituted (1.4.2009) by [The Housing Corporation \(Dissolution\) Order 2009 \(S.I. 2009/484\)](#), art. 1(3), **Sch. 1 para. 6(7)** (with Sch. 1 para. 12)
- F31** Words in s. 84 substituted (1.4.2009) by [The Housing Corporation \(Dissolution\) Order 2009 \(S.I. 2009/484\)](#), art. 1(3), **Sch. 1 para. 6(2)** (with Sch. 1 para. 12)
- F32** Words in s. 84(1) repealed (1.11.1998) by 1998 c. 38, ss. 140, 152, Sch. 16 para. 38(2), **Sch. 18 Pt. VI** (with ss. 137(1), 139(2), 141(1), 143(2)); S.I. 1998/2244, **art. 5**
- F33** Words in s. 84(1) substituted (1.4.2009) by [The Housing Corporation \(Dissolution\) Order 2009 \(S.I. 2009/484\)](#), art. 1(3), **Sch. 1 para. 6(3)** (with Sch. 1 para. 12)
- F34** Word in s. 84(3)(b) substituted (1.4.2009) by [The Housing Corporation \(Dissolution\) Order 2009 \(S.I. 2009/484\)](#), art. 1(3), **Sch. 1 para. 6(4)** (with Sch. 1 para. 12)
- F35** S. 84(4) repealed (1.4.2009) by [The Housing Corporation \(Dissolution\) Order 2009 \(S.I. 2009/484\)](#), art. 1(3), Sch. 1 para. 6(5), **Sch. 2** (with Sch. 1 para. 12)
- F36** Words in s. 84(5) substituted (1.4.2009) by [The Housing Corporation \(Dissolution\) Order 2009 \(S.I. 2009/484\)](#), art. 1(3), **Sch. 1 para. 6(6)(a)** (with Sch. 1 para. 12)
- F37** Words in s. 84(5)(a) substituted (1.4.2013) by [The Financial Services Act 2012 \(Mutual Societies\) Order 2013 \(S.I. 2013/496\)](#), art. 1(1), **Sch. 11 para. 1(2)** (with Sch. 12)
- F38** Words in s. 84(5)(a)(b) substituted (1.4.2009) by [The Housing Corporation \(Dissolution\) Order 2009 \(S.I. 2009/484\)](#), art. 1(3), **Sch. 1 para. 6(6)(b)** (with Sch. 1 para. 12)
- F39** S. 84(6) repealed (1.3.2000) by S.I. 2000/311, **art. 16**

Modifications etc. (not altering text)

- C9** Ss. 84(5)(b), 85(4l) amended by [Local Government Act 1985 \(c. 51, SIF 81:1\)](#), s. 57(7), Sch. 13 paras. 22, 23 as substituted by [Housing \(Consequential Provisions\) Act 1985 \(c.71, SIF 61\)](#), s. 4, **Sch. 2 para. 61**
 Ss. 84(5)(b), 85(4) extended (5.7.1994) by 1994 c. 19, s. 39, **Sch. 13 para. 20(1)** (with ss. 54(4)(7), 55(5), Sch. 17 paras. 22(1), 23(2))
 Ss. 84(5)(b), 85(4) modified (1.4.1995) by S.I. 1995/401, art. 18, **Sch. para. 9**

Changes to legislation: There are currently no known outstanding effects for the Housing Associations Act 1985, Cross Heading: Relevant Authority's powers with respect to grants and loans. (See end of Document for details)

85 Meaning of “recognised body” and “relevant advance”.

- (1) The expressions “recognised body” and “relevant advance” in section 84 (agreements to indemnify certain lenders) shall be construed in accordance with the following provisions.
- (2) A “recognised body” means a body specified, or of a class or description specified, in an order made by statutory instrument by the ^{F40}Welsh Ministers^{F41} . . .
- (3) Before making such an order varying or revoking an order previously made, the ^{F40}Welsh Ministers] shall give an opportunity for representations to be made on behalf of a recognised body which, if the order were made, would cease to be such a body.
- (4) A “relevant advance” means an advance made to a person whose interest in the dwelling is or was acquired by virtue of a conveyance of the freehold or an assignment of a long lease, or a grant of a long lease by—
 - a local authority,
 - a new town corporation,
 - ^{F42}the Welsh Ministers so far as they are or were exercising functions in relation to property transferred (or to be transferred) to them as mentioned in section 36(1)(a)(i) to (iii) of the New Towns Act 1981,
 - an urban development corporation,
 - ^{F43}
. . .
 - ^{F44}
..., or
 - a ^{F45}registered social landlord].^{F46} or an advance made to such a person by the ^{F40}Welsh Ministers] if the conveyance, assignment or grant was made under section 90.]
- (5) In subsection (4) “long lease” has the same meaning as in Part V of the ^{M3}Housing Act 1985 (the right to buy).

Textual Amendments

- F40** Words in s. 85(2)(3)(4) substituted (1.4.2009) by [The Housing Corporation \(Dissolution\) Order 2009 \(S.I. 2009/484\)](#), [art. 1\(3\)](#), [Sch. 1 para. 7\(2\)](#) (with [Sch. 1 para. 12](#))
- F41** Words in s. 85(2) repealed (1.10.1996) by [1996 c. 52, ss. 222, 227, Sch. 18 Pt. IV para. 22\(1\)\(d\)](#), [Sch. 19 Pt. XIII](#); [S.I. 1996/2402](#), [art. 3](#) (subject to transitional provisions and savings in [Sch.](#))
- F42** Words in s. 85(4) inserted (1.12.2008) by [The Housing and Regeneration Act 2008 \(Consequential Provisions\) Order 2008 \(S.I. 2008/3002\)](#), [art. 1\(2\)](#), [Sch. 1 para. 34](#) (with [Sch. 2](#)) (see [S.I. 2008/3068](#), [art. 2\(1\)\(b\)](#))
- F43** Words in s. 85(4) repealed (1.11.1998) by [1998 c. 38, s. 152, Sch. 18 Pt. IV](#) (with [ss. 137\(1\), 139\(2\), 141\(1\), 143\(2\)](#)); [S.I. 1998/2244](#), [art. 5](#)
- F44** Words in s. 85(4) omitted (1.4.2009) by virtue of [The Housing Corporation \(Dissolution\) Order 2009 \(S.I. 2009/484\)](#), [art. 1\(3\)](#), [Sch. 1 para. 7\(3\)](#), [Sch. 2](#) (with [Sch. 1 para. 12](#))
- F45** Words in s. 85(4) substituted (1.10.1996) by [S.I. 1996/2325](#), [art. 5\(1\)](#), [Sch. 2 para. 15\(30\)](#)
- F46** Words in s. 85(4) inserted (1.11.1998) by [1998 c. 38, s. 140, Sch. 16 para. 39\(b\)](#) (with [ss. 139\(2\), 143\(2\)](#)); [S.I. 1998/2244](#), [art. 5](#)

Modifications etc. (not altering text)

- C10** [Ss. 84\(5\)\(b\), 85\(4\)](#) amended by [Local Government Act 1985 \(c. 51, SIF 81:1\)](#), [s. 57\(7\)](#), [Sch. 13 paras. 22, 23](#) as substituted by [Housing \(Consequential Provisions\) Act 1985 \(c.71, SIF 61\)](#), [s. 4](#), [Sch. 2 para. 61](#)

Changes to legislation: There are currently no known outstanding effects for the Housing Associations Act 1985, Cross Heading: Relevant Authority's powers with respect to grants and loans. (See end of Document for details)

Ss. 84(5)(b), 85(4) extended (5.7.1994) by 1994 c. 19, s. 39, **Sch. 13 para. 20(1)** (with ss. 54(4)(7), 55(5), Sch. 17 paras. 22(1), 23(2))

Ss. 84(5)(b), 85(4) modified (1.4.1995) by S.I. 1995/401, art. 18, **Sch. para. 9**

C11 S. 85(4) explained by Housing (Consequential Provisions) Act 1985 (c. 71, SIF 61), s. 5(1), **Sch. 3 para. 5(3)**

Marginal Citations

M3 1985 c. 68.

86 Agreements to indemnify building societies: Scotland.

- (1) [^{F47}Scottish Homes] may, with the approval of the Secretary of State, enter into an agreement with a building society [^{F48}or recognised body] under which [^{F47}Scottish Homes] binds itself to indemnify the building society [^{F48}or recognised body] in respect of—
- (a) the whole or part of any outstanding indebtedness of a borrower; and
 - (b) loss or expense to the building society [^{F48}or recognised body] resulting from the failure of the borrower duly to perform any obligation imposed on him by [^{F49}a] heritable security.
- (2) The agreement may also, where the borrower is made party to it, enable or require [^{F47}Scottish Homes] in specified circumstances to take an assignation of the rights and liabilities of the building society [^{F50}or recognised body] under the heritable security.
- (3) Approval of the Secretary of State under subsection (1) may be given generally in relation to agreements which satisfy specified requirements, or in relation to individual agreements, and with or without conditions, as he thinks fit, and such approval may be withdrawn at any time on one month's notice.
- (4) Before issuing any general approval under subsection (1) the Secretary of State shall consult with such bodies as appear to him to be representative of islands and district councils, and of building societies, and also with [^{F47}Scottish Homes] and with [^{F51}the Financial Conduct Authority and the Prudential Regulation Authority].
- ^{F52}(5)
- [^{F53}(6) In this section, “recognised body” means a body designated, or of a class or description designated, in an order made under this subsection by statutory instrument by the Secretary of State with the consent of the Treasury.
- (7) Before making an order under subsection (6) above varying or revoking an order previously so made, the Secretary of State shall give an opportunity for representations to be made on behalf of a recognised body which, if the order were made, would cease to be such a body.]

Textual Amendments

- F47** Words in s. 86(1)(2)(4) substituted (1.10.1996) by S.I. 1996/2325, art. 5(1), **Sch. 2 para. 15(6)**
- F48** Words inserted by Housing (Scotland) Act 1986 (c. 65, SIF 61), s. 25(1), **Sch. 2 para. 4(6)(a)(i)**
- F49** “a” substituted by Housing (Scotland) Act 1986 (c. 65, SIF 61), s. 25(1), **Sch. 2 para. 4(6)(a)(ii)**
- F50** Words inserted by Housing (Scotland) Act 1986 (c. 65, SIF 61), s. 25(1), **Sch. 2 para. 4(6)(b)**
- F51** Words in s. 86(4) substituted (1.4.2013) by The Financial Services Act 2012 (Mutual Societies) Order 2013 (S.I. 2013/496), art. 1(1), **Sch. 11 para. 1(3)** (with Sch. 12)

Changes to legislation: There are currently no known outstanding effects for the Housing Associations Act 1985,
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- F52** S. 86(5) repealed (1.3.2000) by S.I. 2000/311, art. 16
F53 S. 86(6)(7) added by Housing (Scotland) Act 1986 (c. 65, SIF 61), s. 25(1), Sch. 2 para. 4(6)(d)

[^{F54}87 Financial assistance with respect to formation, management, etc. of certain housing associations.

[The [^{F56}Welsh Ministers] may give financial assistance to any person to facilitate the ^{F55}(1) proper performance of the functions of registered social landlords or co-operative housing associations.]

(2) Assistance under this section may be in the form of grants, loans, guarantees or incurring expenditure for the benefit of the person assisted or in such other way as the [^{F57}Welsh Ministers consider appropriate, except that they] may not, in giving any form of financial assistance [^{F58}under this section], purchase loan or share capital in a company.

(3) With respect to financial assistance under this section, the following—
(a) the procedure to be followed in relation to applications for assistance,
(b) the circumstances in which assistance is or is not to be given,
(c) the method for calculating, and any limitations on, the amount of assistance, and
(d) the manner in which, and the time or times at which, assistance is to be given, shall be such as may be specified by the [^{F59}Welsh Ministers]^{F60}

(4) In giving assistance under this section, the [^{F61}Welsh Ministers] may provide that the assistance is conditional upon compliance by the person to whom the assistance is given with such conditions as [^{F62}they] may specify.

(5) Where assistance under this section is given in the form of a grant, subsections (1), (2) and (7) to (9) of section 52 of the Housing Act 1988 (recovery, etc. of grants) shall apply as they apply in relation to a grant to which that section applies, but with the substitution, for any reference in those subsections to the [^{F63}registered][^{F64}relevant housing association] to which the grant has been given, of a reference to the person to whom assistance is given under this section.

^{F65}(6)]

Extent Information

E1 This version of this provision extends to England and Wales only; a separate version has been created for Scotland only

Textual Amendments

- F54** S. 87 substituted by Local Government and Housing Act 1989 (c. 42 SIF 61), s.183
F55 S. 87(1) substituted (1.10.1996) by 1996 c. 52, s. 55(1), Sch. 3 para. 7; S.I. 1996/2402 art. 3 (with transitional provisions and savings in Sch.)
F56 Words in s. 87(1) substituted (E.W.) (1.4.2010) by The Housing and Regeneration Act 2008 (Consequential Provisions) Order 2010 (S.I. 2010/866), art. 1(2), Sch. 2 para. 55(2) (with art. 6, Sch. 3)
F57 Words in s. 87(2) substituted (E.W.) (1.4.2010) by The Housing and Regeneration Act 2008 (Consequential Provisions) Order 2010 (S.I. 2010/866), art. 1(2), Sch. 2 para. 55(3) (with art. 6, Sch. 3)

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- F58** Words in s. 87(2) inserted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 40** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F59** Words in s. 87(3) substituted (E.W.) (1.4.2010) by The Housing and Regeneration Act 2008 (Consequential Provisions) Order 2010 (S.I. 2010/866), art. 1(2), **Sch. 2 para. 55(4)** (with art. 6, Sch. 3)
- F60** Words in s. 87(3) repealed (18.1.2005) by Housing Act 2004 (c. 34), s. 270(3)(b), Sch. 11 para. 1(a), **Sch. 16**
- F61** Words in s. 87(4) substituted (E.W.) (1.4.2010) by The Housing and Regeneration Act 2008 (Consequential Provisions) Order 2010 (S.I. 2010/866), art. 1(2), **Sch. 2 para. 55(5)(a)** (with art. 6, Sch. 3)
- F62** Word in s. 87(4) substituted (E.W.) (1.4.2010) by The Housing and Regeneration Act 2008 (Consequential Provisions) Order 2010 (S.I. 2010/866), art. 1(2), **Sch. 2 para. 55(5)(b)** (with art. 6, Sch. 3)
- F63** Word in s. 87(5) repealed (1.10.1996) by S.I. 1996/2325, art. 4(1), **Sch. 1 Pt. I** (with art. 4(2)(3))
- F64** Words in s. 87(5) substituted (E.W.) (1.4.2010) by The Housing and Regeneration Act 2008 (Consequential Provisions) Order 2010 (S.I. 2010/866), art. 1(2), **Sch. 2 para. 55(6)** (with art. 6, Sch. 3)
- F65** S. 87(6) repealed (18.1.2005) by Housing Act 2004 (c. 34), s. 270(3)(c), Sch. 11 para. 1(b), **Sch. 16**

Modifications etc. (not altering text)

- C12** S. 87: transfer of functions (E.W.) (1.12.2008) by The Transfer of Housing Corporation Functions (Modifications and Transitional Provisions) Order 2008 (S.I. 2008/2839), arts. 1(1), **2** (see S.I. 2008/3068, art. 2(1)(b))

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