



Housing Act 1988

1988 CHAPTER 50

PART II

HOUSING ASSOCIATIONS

Grants: functions of Corporation

50 Housing association grants

- (1) The Housing Corporation and Housing for Wales may make grants to registered housing associations in respect of expenditure incurred or to be incurred by them in connection with housing activities; and any reference in the following provisions of this section to “the Corporation” shall be construed accordingly.
- (2) As respects grants under this section the following, namely—
 - (a) the procedure to be followed in relation to applications for grant;
 - (b) the circumstances in which grant is or is not to be payable;
 - (c) the method for calculating, and any limitations on, the amount of grant; and
 - (d) the manner in which, and time or times at which, grant is to be paid,shall be such as may be specified by the Corporation, acting in accordance with such principles as it may from time to time determine.
- (3) In making a grant under this section, the Corporation may provide that the grant is conditional on compliance by the association with such conditions as it may specify.
- (4) On such terms as it may, with the appropriate approval, specify, the Corporation may appoint a local housing authority which is willing to do so to act as its agent in connection with the assessment and payment of grant under this section; and, where such an appointment is made, the local housing authority shall act as such an agent in accordance with the terms of their appointment.
- (5) In subsection (4) above, “the appropriate approval” means the approval of the Secretary of State given with the consent of the Treasury.

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- (6) Where—
- (a) a grant under this section is payable to an association, and
 - (b) at any time property to which the grant relates becomes vested in, or is leased for a term of years to, or reverts to, some other registered housing association, or trustees for some other such association,
- this section (including this subsection) shall have effect after that time as if the grant, or such proportion of it as is specified or determined under subsection (7) below, were payable to that other association.
- (7) The proportion referred to in subsection (6) above is that which, in the circumstances of the particular case—
- (a) the Corporation, acting in accordance with such principles as it may from time to time determine, may specify as being appropriate; or
 - (b) the Corporation may determine to be appropriate.
- (8) Where one of the associations mentioned in subsection (6) above is registered by the Housing Corporation and another is registered by Housing for Wales, the determination mentioned in subsection (7) above shall be such as shall be agreed between the two Corporations.

51 Revenue deficit grants

- (1) The Housing Corporation or, as the case may be, Housing for Wales may make a grant to a registered housing association if—
- (a) in relation to all housing activities of the association,
 - (b) in relation to housing activities of the association of a particular description, or
 - (c) in relation to particular housing activities of the association,
- the association's expenditure as calculated by the Corporation concerned for any period (including a period which is wholly or partly a future period) exceeds its income as so calculated for that period.
- (2) In calculating an association's expenditure or income for the purposes of subsection (1) above, the Housing Corporation or, as the case may be, Housing for Wales—
- (a) shall act in accordance with such principles as it may from time to time determine; and
 - (b) may act on such assumptions (whether or not borne out or likely to be borne out by events) as it may from time to time determine.
- (3) Subsections (2) and (3) of section 50 above shall apply for the purposes of this section as they apply for the purposes of that section.

52 Recovery etc. of grants

- (1) Where a grant to which this section applies, that is to say—
- (a) a grant under section 50 or 51 above, or
 - (b) a grant under section 41 of the 1985 Act or any enactment replaced by that section, or
 - (c) a grant under section 2(2) of the Housing (Scotland) Act 1988,
- has been made to a registered housing association, the powers conferred by subsection (2) below are exercisable in such events (including the association not

complying with any conditions) as the Corporation may from time to time determine (in this section referred to as “relevant events”).

(2) The Corporation, acting in accordance with such principles as it may from time to time determine, may—

- (a) reduce the amount of, or of any payment in respect of, the grant;
- (b) suspend or cancel any instalment of the grant; or
- (c) direct the association to pay to it an amount equal to the whole, or such proportion as it may specify, of the amount of any payment made to the association in respect of the grant,

and a direction under paragraph (c) above requiring the payment of any amount may also require the payment of interest on that amount in accordance with subsections (7) to (9) below.

(3) Where, after a grant to which this section applies has been made to an association, a relevant event occurs, the association shall notify the Corporation and, if so required by written notice of the Corporation, shall furnish it with such particulars of and information relating to the event as are specified in the notice.

(4) Where a grant to which this section applies (other than one falling within subsection (1) (c) above) has been made to an association, the Chief Land Registrar may furnish the Corporation with such particulars and information as it may reasonably require for the purpose of ascertaining whether a relevant event has occurred; but this subsection shall cease to have effect on the day appointed under section 3(2) of the Land Registration Act 1988 for the coming into force of that Act.

(5) Where—

- (a) a grant to which this section applies has been made to an association, and
- (b) at any time property to which the grant relates becomes vested in, or is leased for a term of years to, or reverts to, some other registered housing association, or trustees for some other such association,

this section (including this subsection) shall have effect after that time as if the grant, or such proportion of it as is specified or determined under subsection (6) below, had been made to that other association.

(6) The proportion referred to in subsection (5) above is that which, in the circumstances of the particular case,—

- (a) the Corporation, acting in accordance with such principles as it may from time to time determine, may specify as being appropriate; or
- (b) the Corporation may determine to be appropriate.

(7) A direction under subsection (2)(c) above requiring the payment of interest on the amount directed to be paid to the Corporation shall specify, in accordance with subsection (9) below,—

- (a) the rate or rates of interest (whether fixed or variable) which is or are applicable;
- (b) the date from which interest is payable, being not earlier than the date of the relevant event; and
- (c) any provision for suspended or reduced interest which is applicable.

(8) In subsection (7)(c) above—

- (a) the reference to a provision for suspended interest is a reference to a provision whereby, if the amount which is directed to be paid to the Corporation is paid

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before a date specified in the direction, no interest will be payable for any period after the date of the direction; and

- (b) the reference to a provision for reduced interest is a reference to a provision whereby, if that amount is so paid, any interest payable will be payable at a rate or rates lower than the rate or rates which would otherwise be applicable.
- (9) The matters specified in a direction as mentioned in paragraphs (a) to (c) of subsection (7) above shall be either—
- (a) such as the Corporation, acting in accordance with such principles as it may from time to time determine, may specify as being appropriate, or
 - (b) such as the Corporation may determine to be appropriate in the particular case.

53 Determinations under Part II

- (1) A general determination may either—
- (a) make the same provision for all cases; or
 - (b) make different provision for different cases or descriptions of cases, including different provision for different areas or for different descriptions of housing associations or housing activities;
- and for the purposes of this subsection descriptions may be framed by reference to any matters whatever, including in particular, in the case of housing activities, the manner in which they are financed.
- (2) The Corporation shall not make a determination under the foregoing provisions of this Part except with the approval of the Secretary of State given, in the case of a general determination, with the consent of the Treasury.
- (3) Before making a general determination, the Corporation shall consult such bodies appearing to it to be representative of housing associations as it considers appropriate; and after making such a determination, the Corporation shall publish the determination in such manner as it considers appropriate for bringing the determination to the notice of the associations concerned.
- (4) In this section “general determination” means a determination under any provision of sections 50 to 52 above, other than a determination relating solely to a particular case.