Leasehold Reform, Housing and Urban Development Act 1993

1993 CHAPTER 28

PART II

PUBLIC SECTOR HOUSING

CHAPTER II

SCOTLAND

Rent to loan scheme

141 Eligibility for rent to loan scheme.

After section 62 of the [M1]Housing (Scotland) Act 1987 (in this Chapter referred to as "the 1987 Act") there shall be inserted the following section—

"**62A Eligibility for rent to loan scheme.**

(1) Subject to subsection (2), a tenant who has the right under section 61 to purchase a house may exercise the right by way of the rent to loan scheme.

(2) Subsection (1) does not apply—

(a) to the tenant of a house which is designated as defective under Part XIV; or

(b) to a tenant—

(i) in respect of whom a determination has been made that he is entitled to housing benefit in respect of any part of the relevant period; or

(ii) by or on behalf of whom a claim for housing benefit has been made (or is treated as having been made) and has not been determined or withdrawn.

(3) In subsection (2), "the relevant period" means the period—

(a) beginning twelve months before the date of the application to purchase the house; and

(b) ending on the day when the contract of sale of the house is constituted under section 66(2)."

Marginal Citations

M1 1987 c. 26.

142 The rent to loan scheme.

After section 73 of the 1987 Act there shall be inserted the following sections—

" Rent to loan scheme

73A The rent to loan scheme.

(1) Under the rent to loan scheme, the price fixed for a house under section 62 shall be payable in two elements, viz—

(a) the initial capital payment; and

(b) the deferred financial commitment.

(2) In the application of subsection (3) of section 62 to the price of a house being purchased by way of the rent to loan scheme, each of the percentage figures specified in that subsection shall be reduced by 15 or such other number as may, with the consent of the Treasury, be prescribed.

(3) The conditions which are, under section 64, to be contained in an offer to sell under section 63(2) shall, in the case of a house which is to be purchased by way of the rent to loan scheme, include a condition providing that the tenant will be entitled to ownership of the house in exchange for the initial capital payment.

(4) The deferred financial commitment shall be secured by a standard security over the house.

73B The initial capital payment.

(1) The initial capital payment in respect of a house is a sum determined by the tenant, being of an amount not less than the maximum amount of loan which could be repaid at the statutory rate of interest over the loan period by weekly payments each equal to the adjusted weekly rent for the house.

(2) In this section—

(a) the "statutory rate of interest" is the rate of interest which would be charged under section 219(4) on the application date by the local authority for the area in which the house is situated;

(b) the "loan period" is the period beginning on the application date and ending on whichever of the following is the earlier—

(i) the expiry of a period of 25 years starting on that date; and

(ii) the date when the applicant will (if he survives) reach pensionable age within the meaning of the Social Security Act 1975 or, in the case of joint applicants, the date when the one who will (if they both or all survive) reach pensionable age later than the other or the others reaches that age,

but if the period arrived at under sub-paragraph (ii) is less than 10 years, then the loan period shall be a period of 10 years beginning on the application date;

(c) the "adjusted weekly rent" is an amount equal to 90 per cent of the weekly rent for the house payable as at the application date; and

(d) the "application date" is the date of the application to purchase the house.

73C The deferred financial commitment.

(1) The deferred financial commitment in respect of a house is the sum arrived at by—

(a) finding the difference between—

(i) the price which was fixed for the purchase of the house under section 62(1); and

(ii) the initial capital payment;

(b) expressing that difference as a percentage of the market value which was determined under section 62(2) for the purpose of fixing the price of the house;

(c) reducing that percentage figure by—

(i) 7 or such other number as may, with the consent of the Treasury, be prescribed; and

(ii) in a case where payment has been made under subsection (4), the percentage figure which the amount so paid represents in relation to the market value mentioned in paragraph (b);

(d) finding the sum which is equal to that resultant percentage of the resale value of the house; and

(e) in a case to which subsection (5) of section 73D applies, adding to that sum the amount which falls to be added under subsection (6) of that section.

(2) No interest shall accrue on the deferred financial commitment.

(3) Payment of the deferred financial commitment—

(a) shall, subject to section 73D, be made to the original seller of the house—

(i) on the sale or other disposal of the house by the rent to loan purchaser; or

(ii) if the rent to loan purchaser does not sell or dispose of it, on his death; and

(b) may be so made in whole at any earlier time.

(4) Subject to section 73D(3), payment may be made at any time for the purpose of reducing the deferred financial commitment in accordance with subsection (1)(c)(ii).

(5) Subject to subsection (6), payment of the deferred financial commitment shall be made as soon as may be after the destruction of or damage to the house by fire, tempest, flood or any other cause against the risk of which it is normal practice to insure.

(6) Subsection (5) does not apply where, following the destruction of or damage to a house, it is rebuilt or reinstated.

(7) A standard security granted in security of the deferred financial commitment shall, notwithstanding section 13 of the Conveyancing and Feudal Reform (Scotland) Act 1970, have priority before any standard security securing the liability to make a repayment under section 72(1) but immediately after—

(a) any standard security granted in security of any amount advanced by a recognised lending institution—

(i) to enable payment of the initial capital payment or payment under subsection (4);

(ii) for the improvement of the house; or

(iii) for any combination of those purposes,

(together with any interest, expenses and outlays payable thereunder); and

(b) with the consent of the original seller, a standard security over the house granted in security of any other loan (together with any such interest, expenses and outlays).

In this subsection—

a "recognised lending institution" is one which is recognised for the purposes of section 222;

references to interest payable under a standard security are references both to present and future interest payable thereunder including interest which has accrued or may accrue; and

references to expenses and outlays include interest thereon.

(8) In this section—

(a) the "resale value" of a house is, subject to subsections (9) and (10)—

(i) where it is being sold by the rent to loan purchaser on the open market with vacant possession and a good and marketable title, the price at which it is being so sold;

(ii) where the rent to loan purchaser has died not having sold or disposed of it, its value for the purpose of confirmation to his estate;

(iii) in any other case, such amount as is agreed for the purposes of this sub-paragraph between the rent to loan purchaser and the original seller or, failing such agreement, such amount as is determined for those purposes by an independent valuer as the value of the house, assuming it to be available for sale in the circumstances specified in sub-paragraph (i) on a date as near as may be to the date when payment of the deferred financial commitment is to be made; and

(b) the "original seller" of a house is the body which, as the landlord of the house, sold it in pursuance of this Part to the rent to loan purchaser or, where another body has succeeded to the rights and duties of that body in relation to the house, that other body.

(9) In arriving at the resale value of a house no account shall be taken of—

(a) anything done by the rent to loan purchaser (or any predecessor of his as secure tenant of the house) which has added to the value of the house; or

(b) any failure by him (but not by any such predecessor) to keep the house in good repair (including decorative repair).

(10) For the purposes of agreeing or determining the amount of the resale value of a house under subsection (8)(a)(iii) in a case where it has been destroyed or damaged by a cause referred to in subsection (5), that value shall be taken as including the value of any sums paid or falling to be paid to the rent to loan purchaser under a policy insuring against the risk of the cause of destruction of or damage to the house except to the extent that they have been or fall to be applied in meeting the cost of any rebuilding or reinstatement which has been carried out.

73D Deferred financial commitment: further provisions.

(1) This subsection applies where—

(a) the person who has purchased a house by way of the rent to loan scheme sells or otherwise disposes of it to his spouse or any other person with whom he is living as if they were husband and wife and the house is, at the time of the sale or disposal, the spouse's or other person's only or principal home;

(b) the person who has so purchased the house dies and there succeeds to the house, by operation of the law of succession, a person for whom or persons for whom or for one or more of whom the house was, for the period of 12 months immediately preceding the death, his or their only or principal home; or

(c) in the case of a house which was so purchased jointly, one of the joint purchasers dies and, at the time of the death, the house was the only or principal home of the survivor or the survivors or one or more of them.

(2) Where subsection (1) applies—

(a) the deferred financial commitment shall not be payable on the sale, disposal or death referred to in paragraph (a) of subsection (3) of section 73C but on the sale or other disposal of the house by the person or persons acquiring it, succeeding to it or surviving in the circumstances whereby subsection (1) applies or on the death of such person or of the last of them for whom the house was, both at the time of such acquisition, succession or survival and at the time of his death, his only or principal home; and

(b) paragraph (b) of the said subsection (3) shall have effect accordingly.

(3) A payment made under section 73C(4) shall not—

(a) be less than £1500 or such other sum as may, with the consent of the Treasury, be prescribed;

(b) exceed the statutory maximum; or

(c) be made within the period of one year after any previous such payment in respect of the same transaction.

(4) In subsection (3)(b), the "statutory maximum" is the amount by which the initial capital payment would be required to be augmented so as to produce, by operation of the calculations specified in paragraphs (a) to (c) of section 73C(1), a resultant percentage of 7.5% or such other percentage as may, with the consent of the Treasury, be prescribed.

(5) This subsection applies where—

(a) the subtraction of discount for the purposes of section 62(1) falls to be limited or excluded by operation of subsection (6A) of that section; and

(b) any part of those costs which, in accordance with that subsection, are to be represented by an amount arrived at under that subsection, was incurred in the period commencing with the beginning of the financial year of the landlord which was current 5 years prior to the date of payment in whole of the deferred financial commitment.

(6) Where subsection (5) applies, the amount which is, under section 73C(1)(e), to be added is an amount equal to the difference between the aggregate of the amounts mentioned in paragraph (a) and the amount mentioned in paragraph (b) —

(a) the initial capital payment and the deferred financial commitment (including any payment under section 73C(4)) which would be payable apart from this subsection;

(b) the price which would have been payable under section 62 had the purchase of the house proceeded otherwise than by way of the rent to loan scheme."

143 Rent to loan scheme: related amendments.

(1) The 1987 Act shall have effect subject to the following amendments (being amendments related to the rent to loan scheme).

(2) In section 63—

(a) in subsection (1), after paragraph (c) there shall be inserted the following "; and

(d) in the case of a tenant who is entitled to purchase the house by way of the rent to loan scheme, a statement whether he wishes to proceed so to purchase the house.";

(b) in subsection (2), after paragraph (c), there shall be inserted the following paragraph—

"(cc) where the application to purchase contains a statement under subsection (1)(d) that the applicant wishes to proceed by way of the rent to loan scheme and the statement has not been withdrawn, the minimum amount of the initial capital payment, a statement that the applicant, if so minded, may make an initial capital payment greater than the minimum and a description of the deferred financial commitment including—

(i) the amount of the deferred financial commitment calculated as if due to be paid as at the date of the offer to sell;

(ii) an explanation of why and how the amount of the deferred financial commitment when payable under section 73C(3)(a) can vary from its amount as calculated under sub-paragraph (i); and

(iii) the procedure for paying the deferred financial commitment."

(c) at the end there shall be inserted the following subsection—

"(3) Where, in response to an offer to sell containing the matters referred to in paragraph (cc) of subsection (2), an applicant has informed a landlord in writing of his intention to make an initial capital payment of an amount greater than the minimum, the landlord shall, before the end of the period specified in subsection (2) or, if later, the expiry of one month from the date when the landlord was so informed of the tenant's intention, serve an amended offer to sell in which the calculation of the deferred financial commitment is revised accordingly."

(3) In section 67, there shall be inserted at the end the following subsection—

"(4) This section does not apply where the tenant is exercising his right to purchase under section 61 by way of the rent to loan scheme."

(4) In section 71—

(a) in subsection (1)—

(i) in paragraph (a), after "offer", in both places where it occurs, there shall be inserted " or amended offer ";

(ii) in paragraph (d), after "offer" there shall be inserted " or amended offer " and there shall be added at the end " and, in the case of an amended offer, they do not conform with the requirements of section 63(3) "; and

(b) in subsection (2)—

(i) in paragraph (b), after "offer" there shall be inserted " or amended offer "; and

(ii) after "63(2)"there shall be inserted " and, in the case of an amended offer, under section 63(3) ".

(5) In section 82—

(a) after "20" there shall be inserted " 214 "; and

(b) the following definitions shall be inserted at the appropriate places—

"the "rent to loan purchaser" of a house is the person who exercised his right to purchase it under section 61 by way of the rent to loan scheme or, where section 73D(1) applies, the person whose selling or otherwise disposing of the house or whose death is, by virtue of subsection (2) of that section, the occasion for payment of the deferred financial commitment, that person;

"rent to loan scheme" means the provisions of sections 62A and 73A to 73D."

(6) In section 214, there shall be inserted at the end the following subsection—

"(9) This section applies to the deferred financial commitment as it applies to an advance and references in it and in section 215 to the making of advances shall be construed as references to such functions of a local authority under the rent to loan scheme as relate to the creation of the deferred financial commitment, but Schedule 17 shall not so apply."

(7) In section 216, there shall be inserted at the end the following subsection—

"(10) This section does not apply in the case of the purchase of a house by way of the rent to loan scheme."

Right to purchase

144 Abatement of purchase price.

After section 66 of the 1987 Act there shall be inserted the following sections—

"**66A Abatement of purchase price on landlord's failure before contract of sale.**

(1) Where a tenant who seeks to exercise a right to purchase a house under section 61 has served an application to purchase on the landlord and the landlord—

(a) not having served a notice of refusal, has failed to serve an offer to sell on the tenant within 2 months of the application or, where an amended offer to sell falls to be served on the tenant under subsection (3) of section 63, has failed to do so within the time limit specified in that subsection;

(b) having agreed to serve an amended offer to sell on the tenant in response to a request under section 65(1), has failed to do so within one month of the request;

(c) following an order by the Lands Tribunal to serve an amended offer to sell on the tenant under section 65(3), has failed to do so within 2 months of the date of the order;

(d) following a finding by the Lands Tribunal under section 68(4), has failed to serve an offer to sell within 2 months of the date of the finding; or

(e) following an order by the Lands Tribunal under section 71(2)(b), has failed to serve an offer or amended offer to sell within the time specified in the order,

the tenant may serve on the landlord a notice in writing requiring the landlord to serve on him, within one month of the date of the notice, the offer to sell or (as the case may be) the amended offer to sell which the landlord has failed to serve.

(2) Where the landlord fails to serve the offer to sell or the amended offer to sell within one month of the date of the notice in writing under subsection (1), the price fixed under section 62 shall be reduced by the amount of rent paid by the tenant during the period commencing with the date on which the one month period expired and ending with the date on which the offer is served.

66B Abatement of purchase price on landlord's failure after contract of sale.

(1) Where the landlord has failed and continues to fail to deliver a good and marketable title to the tenant in accordance with the contract of sale, the tenant may at any time serve on the landlord a notice (the "initial notice of delay") setting out the landlord's failure and specifying—

(a) the most recent action of which the tenant is aware which has been taken by the landlord in fulfilment of his duties under this Part;

(b) a period (the "response period"), of not less than one month beginning on the date of service of the notice, within which the service by the landlord of a counter notice under subsection (2) will have the effect of cancelling the initial notice of delay.

(2) If there is no action under this Part which, at the beginning of the response period it was for the landlord to take in order to grant a good and marketable title to the tenant in implementation of the contract of sale, the landlord may serve on the tenant a counter notice either during or after the response period.

(3) At any time when—

(a) the response period specified in the initial notice of delay has expired; and

(b) the landlord has not served a counter notice under subsection (2),

the tenant may serve on the landlord a notice (the "operative notice of delay") that this subsection shall apply to the price fixed under section 62; and thereupon the price fixed under section 62 shall be reduced by the amount of rent paid by the tenant during the period commencing with the date of service of the operative notice of delay and ending with whichever is the earlier of the following dates—

(i) the date of service by the landlord of a counter notice; or

(ii) the date of delivery by the landlord of a good and marketable title in implementation of the contract of sale.

(4) Where the landlord has served a counter notice under subsection (2) the tenant (together with any joint purchaser) may, by serving on the clerk to the Lands Tribunal a copy of the initial notice of delay and of the landlord's counter notice together with a request for the matter to be so referred, refer the matter to the Tribunal for its consideration under subsection (5).

(5) Where the matter has been so referred to the Lands Tribunal it shall consider whether or not in its opinion action which would have enabled a good and marketable title to be delivered in implementation of the contract of sale could have been taken by the landlord and shall find accordingly.

(6) Where the Lands Tribunal finds that action could have been taken by the landlord the tenant shall be entitled to serve an operative notice of delay as if the landlord had not served a counter notice and in that event the commencement date for the purposes of subsection (3) shall be the date on which an operative notice of delay could first have been served if no counter notice had been served.

66C Provisions relating to sections 66A and 66B.

(1) Where there is more than one period in respect of which the price fixed under section 62 can be reduced under section 66A(2) or 66B(3), the periods may be aggregated and the price reduced by the total amount of the rent.

(2) If the period in respect of which the price fixed can be so reduced is, or if the periods aggregated under subsection (1) together amount to, more than twelve months, the amount by which the price fixed under section 62 would, apart from this subsection, fall to be reduced shall be increased by 50% or such other percentage as the Secretary of State may by order made by statutory instrument and subject to annulment in pursuance of a resolution of either House of Parliament provide."

145 Effect of abatement of purchase price on recovery of discount.

In section 72 of the 1987 Act (recovery of discount on early resale), after subsection (1) there shall be inserted the following subsection—

"(1A) Where a tenant has served on the landlord a notice under section 66A(1), the commencement of the period of 3 years referred to in subsection (1) shall be backdated by a period equal to the time (or, where section 66C(1) applies, the aggregate of the times) during which, by virtue of section 66A(2), any payment of rent falls to be taken into account."

Other rights of secure tenants

VALID FROM 01/04/1994

146 Right to have repairs carried out.

For section 60 of the 1987 Act there shall be substituted the following section—

"**60 Right to have repairs carried out.**

(1) The Secretary of State may make regulations for entitling a secure tenant of a landlord prescribed by the Secretary of State, subject to and in accordance with the regulations, to have qualifying repairs carried out to the house which is the subject of the secure tenancy.

(2) Those regulations shall prescribe—
(a) the maximum amount which will be paid in respect of any single qualifying repair;
(b) the maximum time within which a qualifying repair is to be completed.

(3) The regulations may also provide that—
(a) a landlord which has been prescribed under subsection (1) shall—
(i) maintain a list of contractors who are prepared to carry out qualifying repairs;

(ii) take such steps as may be prescribed to make its secure tenants aware of the provisions of the regulations and of the list of contractors;

(iii) where the tenant makes an application to him for a qualifying repair to be carried out, issue a works order to the usual contractor specifying the nature of the repair and the last day of the maximum time prescribed under subsection (2)(b);

(b) where the usual contractor has not started the repair work by the last day specified in the works order, the tenant shall have the right to instruct one of the other listed contractors to carry out the repair;

(c) where the repair work is carried out by that other listed contractor, the landlord shall be liable to pay for the work carried out;

(d) a listed contractor who is instructed by a tenant shall notify the landlord that he has been so instructed as soon as he receives the instruction;

(e) if the usual contractor fails to carry out the repair within the specified maximum time, the landlord shall pay to the tenant such sum by way of compensation as may be determined by or under the regulations;

(f) the landlord may set off against any compensation payable under the regulations any sums owed to it by the tenant.

(4) The regulations may—

(a) make different provision with respect to different cases or descriptions of case, including different provision for different areas;

(b) make such procedural, incidental, supplementary and transitional provision as appears to the Secretary of State necessary or expedient.

(5) Nothing in subsections (2) to (4) above shall be taken as prejudicing the generality of subsection (1).

(6) Regulations under this section shall be made by statutory instrument.

(7) In this section—

"listed contractor" means any contractor (including the usual contractor) specified in the landlord's list of contractors;

"qualifying repair" means a repair prescribed as such in the regulations;

"usual contractor" means the direct services organisation of the landlord or the contractor to whom the landlord has contracted its repairs."

VALID FROM 01/04/1994

147 Right to compensation for improvements.

After section 58 of the 1987 Act there shall be inserted the following section—

"**58A Right to compensation for improvements.**

(1) For the purposes of this section—

(a) "qualifying improvement work" is improvement work which is prescribed as such by the Secretary of State and which is begun not earlier than the commencement of section 147 of the Leasehold Reform, Housing and Urban Development Act 1993;

(b) "qualifying person" is a person who is, at the time the tenancy comes to an end, the tenant of a landlord named in sub-paragraphs (i) to (iv) of section 61(2)(a); and—

(i) is the tenant by whom the qualifying work was carried out; or

(ii) is a tenant of a joint tenancy which existed at the time the improvement work was carried out; or

(iii) succeeded to the tenancy under section 52 on the death of the tenant who carried out the work and the tenancy did not cease to be a secure tenancy on his succession;

(c) a tenancy is terminated when—

(i) any of the circumstances of subsection (1) of section 46 apply and, in a case where the termination is under paragraph (c) or (f) of that subsection, the house which is the subject of the secure tenancy is vacated;

(ii) there is a change of landlord;

(iii) it is assigned to a new tenant.

(2) Where the tenant of a landlord specified in sub-paragraphs (i) to (iv) of section 61(2)(a) has carried out qualifying improvement work with the consent of that landlord under section 57, the qualifying person or persons shall on the termination of the tenancy be entitled to be paid compensation by the landlord in respect of the improvement work.

(3) Compensation shall not be payable if—

(a) the improvement is not of a prescribed description; or

(b) the tenancy comes to an end in prescribed circumstances; or

(c) compensation has been paid under section 58 in respect of the improvement; or

(d) the amount of any compensation which would otherwise be payable is less than such amount as may be prescribed,

and for the purposes of this subsection a prescribed description may be framed by reference to any circumstances whatever.

(4) Regulations under this section may provide that—

(a) any compensation payable shall be—

(i) determined by the landlord in such manner and taking into account such matters as may be prescribed; or

(ii) calculated in such manner and taking into account such matters as may be prescribed,

and shall not exceed such amount, if any, as may be prescribed; and

(b) the landlord may set off against any compensation payable under this section any sums owed to it by the qualifying person or persons.

(5) Where, in the case of two or more qualifying persons, one of them ("the missing person") cannot be found—

(a) a claim for compensation under this section may be made by, and compensation may be paid to, the other qualifying person or persons; but

(b) the missing person shall be entitled to recover his share of any compensation so paid from that person or those persons.

(6) The Secretary of State may by regulations made under this section make such procedural, incidental, supplementary and transitional provisions as appear to him to be necessary or expedient, and may in particular—

(a) provide for the manner in which and the period within which claims for compensation under this section are to be made, and for the procedure to be followed in determining such claims;

(b) prescribe the form of any document required to be used for the purposes of or in connection with such claims; and

(c) provide for the determination of questions arising under the regulations.

(7) Regulations under this section—

(a) may make different provision with respect to different cases or descriptions of case, including different provision for different areas;

(b) shall be made by statutory instrument which (except in the case of regulations which are made only under subsection (6)(b)) shall be subject to annulment in pursuance of a resolution of either House of Parliament."

148 Right to information.

After section 75 of the 1987 Act there shall be inserted the following section—

"**75A Duty of local authority landlord to provide information about right to buy.**

(1) A landlord which is one of those mentioned in section 61(2)(a)(i) or (ii) shall supply each of its secure tenants at least once every year with information about his right to purchase his house under this Part.

(2) The information supplied under subsection (1) shall be in such form as the landlord considers best suited to explain in simple terms and so far as it considers appropriate the right referred to in that subsection."

Housing welfare services

149 Provision of housing welfare services.

Part I of the 1987 Act shall have effect, and be deemed always to have had effect, as if after section 5 there were inserted the following section—

"**5A Power of local authority to provide welfare services.**

(1) A local authority may provide in connection with housing accommodation provided by them (whether or not under this Part) such welfare services, that is to say services for promoting the welfare of the persons for whom the accommodation is so provided, as accord with the needs of those persons.

(2) The local authority may make reasonable charges for welfare services provided by virtue of this section.

(3) Notwithstanding the provisions of section 203, a local authority may attribute the income from and the expenditure on the welfare services provided under subsection (1) to a revenue account other than their housing revenue account.

(4) In this section "welfare services" does not include the repair, maintenance, supervision or management of houses or other property.

(5) The powers conferred by this section shall not be regarded as restricting those conferred by section 83 of the Local Government (Scotland) Act 1973 (power to incur expenditure for purposes not otherwise authorised) and accordingly the reference in subsection (1) of that section to any other enactment shall not include a reference to this section."

150 Accounting for housing welfare services.

Schedule 15 to the 1987 Act (the housing revenue account) shall have effect, and be deemed always to have had effect, as if after paragraph 4 there were inserted the following paragraph—

"4A **Provision of welfare services**

Where in any year a local authority provide welfare services under section 5A, they may—

(a) carry to the credit of the housing revenue account an amount equal to the whole or any part of the income of the authority for the year from charges in respect of the provision of those services;

(b) carry to the debit of the account an amount equal to the whole or any part of the expenditure of the authority for the year in respect of the provision of those services."

151 Power to repeal provisions relating to housing welfare services.

After section 5A of the 1987 Act there shall be inserted the following section—

"**5B Power to repeal provisions relating to welfare services.**

(1) The Secretary of State may at any time by order made by statutory instrument provide that, on such day or in relation to such periods as may be appointed by the order, section 5A, this section and paragraph 4A of Schedule 15 shall—

(a) cease to have effect; or

(b) cease to apply for such purposes as may be specified in the order.

(2) An order under this section may—

(a) appoint different days or periods for different provisions or purposes or for different authorities or descriptions of authority; and

(b) contain such incidental, supplementary or transitional provisions as appear to the Secretary of State to be necessary or expedient."

Miscellaneous

VALID FROM 01/04/1994

152 Management agreements with housing co-operatives.

After section 22 of the 1987 Act there shall be inserted the following section—

"**22A Management agreements with housing co-operatives.**

(1) In this section "housing co-operative" has the meaning given in subsection (1) of section 22 except that the reference in that subsection to the Secretary of State's approval shall be construed as a reference to his approval in relation to the purposes of this section.

(2) On an application by a housing co-operative a local authority shall make an agreement with them for the performance by that housing co-operative, on such terms as may be provided in the agreement, of the local authority's functions under section 17(1) relating to the management of houses which are subject to the agreement.

(3) Before making such an agreement the local authority shall satisfy themselves that the housing co-operative—

(a) have the approval of the Secretary of State;

(b) are able to perform the functions competently and efficiently;

(c) are representative of the tenants of the houses.

(4) Where the local authority refuse to enter into an agreement on the grounds that the housing co-operative do not satisfy paragraph (b) or (c) of subsection (3), the housing co-operative may appeal to the Secretary of State who may confirm or reverse the decision of the local authority.

(5) Where the Secretary of State reverses the decision of the local authority, the authority and the housing co-operative shall make the agreement.

(6) Where the local authority and the housing co-operative are unable to agree on the terms of the agreement, the housing co-operative may appeal to the Secretary of State who may determine the terms of the agreement.

(7) An agreement to which this section applies shall be made only with the approval of the Secretary of State, which may be given either generally or to any local authority or description of local authority or in any particular case, and may be given unconditionally or subject to any conditions."

VALID FROM 01/04/1994

153 Standards and performance in housing management.

After section 17 of the 1987 Act there shall be inserted the following sections—

" Standards and performance in housing management

17A Publication of information.

(1) A local authority shall, in relation to their management of the houses which they hold for housing purposes, publish each year such information as—

(a) may be prescribed by the Secretary of State about—

(i) the standard of service of management which the authority undertake to provide;

(ii) the authority's performance in the past in the achievement of that standard;

(iii) the authority's intentions for the future in relation to the achievement of that standard;

(iv) any other matter which he thinks should be included in the information to be published;

(b) the authority consider it appropriate to publish in relation to the matters mentioned in paragraph (a) above, either as a result of having consulted tenants or otherwise;

(c) the authority consider it appropriate to publish in relation to any other matter, either as a result of consulting tenants or otherwise.

(2) Before publishing such information, a local authority shall consult their tenants as to the information to be published under subsection (1) and shall take account of the characteristics of the different parts of their districts or areas and of the difference in information which may be appropriate in relation to these parts.

(3) The Secretary of State may direct a local authority to consult tenants or groups of tenants representing less than the whole of their district or area.

17B Power of Secretary of State to direct local authority.

At the same time as the information is published, the local authority shall send a copy of the document in which it is published to the Secretary of

State who may, if he considers that the publication is unsatisfactory, direct the local authority to publish the information in such manner as he specifies in the direction.

17C Management plan.

A local authority shall, if the Secretary of State gives them notice to do so, prepare and submit to him within 3 months after such notice, a plan for the management of the houses which they hold for housing purposes."

154 Further provision as to allocation of housing.

In section 20 of the 1987 Act (persons to have priority on housing list and allocation of housing) at the end there shall be added the following subsection—

"(3) A member of a local authority shall be excluded from a decision on the allocation of local authority housing, or of housing in respect of which the local authority may nominate the tenant, where—

(a) the house in question is situated; or

(b) the applicant for the house in question resides,

in the electoral division or ward for which that member is elected."

155 Rules relating to housing list.

(1) For subsection (1) of section 21 of the 1987 Act (publication of rules relating to the housing list) there shall be substituted the following subsection—

"(1) It shall be the duty—

(a) of every local authority to make and to publish in accordance with subsection (4), and again within 6 months of any alteration thereof, rules governing—

(i) the admission of applicants to any housing list;

(ii) the priority of allocation of houses;

(iii) the transfer of tenants from houses owned by the landlord to houses owned by other bodies;

(iv) exchanges of houses;

(b) of Scottish Homes and development corporations (including urban development corporations) to publish in accordance with subsection (4), and again within 6 months of any alteration thereof, any rules they may have governing the matters set out in sub-paragraphs (i) to (iv) of paragraph (a) above."

(2) In subsection (3) of section 19 of that Act (admission to housing list) for the words "Where a local authority has rules which" there shall be substituted the words " Where the rules made by a local authority under section 21(1) ".

156 Defective dwellings: damages for landlord's failure to notify.

After subsection (3) of section 299 of the 1987 Act (jurisdiction of sheriff) there shall be added the following subsections—

"(4) Where damages are awarded in proceedings commenced before 1st December 1994 which arise out of a failure on the part of the public sector authority to give a person acquiring a relevant interest in a dwelling notice in writing under section 291, the amount of damages for the purposes of this subsection shall be equal to the difference between—

(a) the market value of the dwelling assessed as if it were not a defective dwelling and were available for sale on the open market with vacant possession; and

(b) the market value of the dwelling assessed as a defective dwelling and as if available for sale on the open market with vacant possession.

(5) Subsection (4) applies in relation to proceedings which arise out of a failure by the authority before the coming into force of section 156 of the Leasehold Reform, Housing and Urban Development Act 1993 as it does to proceedings which arise out of a failure by the authority after that date."

157 Other amendments of 1987 Act.

(1) In section 17 of the 1987 Act (management of local authority houses), in subsection (1), the words "and exercised by" shall cease to have effect.

(2) In section 61 of that Act (secure tenant's right to purchase), in subsection (10), subparagraphs (i) and (ii) of paragraph (b) shall cease to have effect.

(3) In section 62 of that Act (price)—

(a) in subsection (3)(b), the words "continuous" and "immediately" shall cease to have effect;

(b) after subsection (3) there shall be inserted—

"(3A) There shall be deducted from the discount an amount equal to any previous discount, or the aggregate of any previous discounts, received by the appropriate person on any previous purchase of a house by any of these persons from a landlord who is a person specified in subsection (11) of section 61 or prescribed in an order made under that subsection, reduced by any amount of such previous discount recovered by such a landlord.";

(c) in subsection (4)—

(i) for paragraph (a) there shall be substituted—

"(a) the "appropriate person" is whoever of—

(i) the tenant; or

(ii) the tenant's spouse if living with him at the date of service of the application to purchase; or

(iii) a deceased spouse if living with the tenant at the time of death; or

(iv) any joint tenant who is a joint purchaser of the house,

has the longer or longest such occupation; " and

(ii) at the end there shall be inserted— " and, for the purposes of subsection (3A), the "appropriate person" is any of the persons mentioned in sub-paragraphs (i) to (iv) of paragraph (a). "

(4) In section 248 of that Act (repairs grants), the proviso to subsection (5) shall be amended as follows—

(a) after the words "shall not apply" there shall be inserted " (a) "; and

(b) at the end there shall be added—

"(b) in relation to an application for a repairs grant in respect of works intended to reduce exposure to radon gas."

Status:
Point in time view as at 01/12/1993. This version of this chapter contains provisions that are not valid for this point in time.

Changes to legislation:
Leasehold Reform, Housing and Urban Development Act 1993, Chapter II is up to date with all changes known to be in force on or before 18 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.