



Housing Grants, Construction and Regeneration Act 1996

1996 CHAPTER 53

PART I

GRANTS, &C. FOR RENEWAL OF PRIVATE SECTOR HOUSING

CHAPTER II

GROUP REPAIR SCHEMES

Introductory

60 Group repair schemes

- (1) A local housing authority may prepare a scheme (a “group repair scheme”) for the carrying out of works—
 - (a) to put in reasonable repair the exterior of the buildings to which the scheme relates, or
 - (b) to render the buildings to which the scheme relates structurally stable, or for both those purposes.
- (2) For the purposes of this Chapter “building” includes the whole or part of a terrace of houses or other units.
- (3) The scheme must satisfy the requirements of sections 61 and 62 as to the buildings to which it relates and the works specified in it.

61 Qualifying buildings

- (1) The buildings to which a group repair scheme relates must be qualifying buildings.

Status: This is the original version (as it was originally enacted).

- (2) A building is a qualifying building if at the time the scheme is prepared it satisfies the conditions prescribed for qualifying buildings in relation to a group repair scheme.
- (3) A group repair scheme must relate to at least one qualifying building which at the time the scheme is prepared satisfies the conditions prescribed for a primary building in relation to a group repair scheme.
- (4) Each of the other qualifying buildings to which a group repair scheme relates must satisfy the conditions prescribed for an additional building in relation to a group repair scheme.

62 Scheme works

- (1) The works specified in a group repair scheme (“scheme works”) must be works of the following descriptions.
- (2) In the case of works to put in reasonable repair the exterior of the buildings to which the scheme relates, the works must be—
 - (a) works to the exterior of the buildings to which the scheme relates, or
 - (b) so far only as may be necessary to give satisfactory effect to such works, additional works to other parts of the buildings,and must be such that on completion of the works the exterior of the buildings will be in reasonable repair.
- (3) In the case of works to render the buildings to which the scheme relates structurally stable, the works must be—
 - (a) works to the structure or to the foundations of the buildings to which the scheme relates, or
 - (b) other works necessary to give satisfactory effect to such works,and must be such that on completion of the works the buildings will be structurally stable.
- (4) For the purposes of this Chapter the exterior of a building means—
 - (a) any part of the building which is exposed to the elements of wind and rain or otherwise faces into the open air (including, in particular, roofs, chimneys, walls, doors, windows, rainwater goods and external pipework), and
 - (b) the curtilage of the building, including any wall within the curtilage which is constructed as a retaining wall or otherwise to protect the structure of the building.
- (5) In relation to works to the curtilage of a building the reference in subsection (2)(b) to additional works to other parts of the building includes additional works on land outside the curtilage.
- (6) For the purposes of this Chapter the exterior of a building shall not be regarded as in reasonable repair unless it is substantially free from rising or penetrating damp.

63 Approval of scheme by Secretary of State

- (1) If a group repair scheme prepared by a local housing authority is approved by the Secretary of State, the authority may, with the consent of the persons participating in the scheme, enter into agreements to secure the carrying out of the works specified in the scheme.

- (2) The approval of the Secretary of State may be given either to a specific scheme or generally to schemes which fulfil such criteria as he may from time to time specify.
- (3) Different criteria may be specified for different types of scheme and for different areas.
- (4) The approval of a scheme may be made conditional upon compliance with requirements specified by the Secretary of State.

Participation in group repair scheme

64 Persons eligible to participate in group repair scheme

- (1) A person is eligible to participate in a group repair scheme if at the date of the approval of the scheme—
 - (a) he has an owner’s interest in a dwelling or other premises comprised in a building to which the scheme relates, and
 - (b) as respects the dwelling or other premises in which he has an owner’s interest he either—
 - (i) is able to give possession of any part of the building to which scheme works are proposed to be carried out, or
 - (ii) has the consent of the occupier of that part to the carrying out of those works.

In the case of a scheme not submitted for specific approval, the date of approval shall be taken to be the date on which the authority decide that the scheme fulfils the criteria for general approval.

- (2) A person eligible to participate in a group repair scheme may participate as an assisted participant—
 - (a) if the owner’s interest which he has is an interest in a dwelling and he gives an owner-occupation certificate or a certificate of intended letting, or
 - (b) if the owner’s interest which he has is an interest in a house in multiple occupation and he gives a certificate of future occupation.

This is subject to the exceptions specified in subsection (7) or by order under that subsection.

- (3) An “owner-occupation certificate” certifies that the person concerned—
 - (a) has an owner’s interest in the dwelling, and
 - (b) intends that throughout the protected period he, or a member of his family, will live in the dwelling, as his (or that member's) only or main residence.
- (4) A “certificate of intended letting” certifies that the person concerned—
 - (a) has an owner’s interest in the dwelling, and
 - (b) intends that throughout the protected period the dwelling will be let or available for letting as a residence and not for a holiday to someone other than a member of his family.

In paragraph (b) “letting” does not include a letting on a long tenancy.

- (5) In subsection (4) references to letting include the grant of a licence to occupy premises.

Status: This is the original version (as it was originally enacted).

References in this Chapter to tenants, and other expressions relating to tenancies, in the context of a certificate of intended letting, shall be construed accordingly.

- (6) A “certificate of future occupation” certifies that the person concerned—
- (a) has an owner’s interest in the house, and
 - (b) intends that throughout the protected period the house or a part of it (specified in the certificate) will be residentially occupied, or available for residential occupation, under tenancies or licences by persons who are not connected with the owner for the time being of the house.

In paragraph (b) “residential occupation” does not include occupation for a holiday, and “tenancies” does not include a long tenancy.

- (7) The following may not participate in a group repair scheme as an assisted participant—
- (a) a local authority;
 - (b) a new town corporation;
 - (c) the Development Board for Rural Wales;
 - (d) a health authority, special health authority or NHS trust;
 - (e) a police authority established under section 3 of the Police Act 1964;
 - (f) a housing action trust;
 - (g) a registered social landlord;
 - (h) any other authority, body or other person excluded by order of the Secretary of State.
- (8) An order under subsection (7)(h) may proceed wholly or in part by reference to the provisions relating to entitlement to housing benefit, or any other form of assistance, as they have effect from time to time.
- (9) A person eligible to participate in a group repair scheme who is unable to participate as an assisted participant may participate as an unassisted participant.

65 Scheme consent and restriction on works

- (1) The persons who are eligible to participate in a group repair scheme do so by signifying consent (“scheme consent”), in accordance with the terms of the scheme, to the proposals to carry out the works specified in the scheme.
- (2) No scheme works shall be carried out to a part of a building which consists of premises in respect of which no person eligible to participate has signified scheme consent, except as mentioned below.
- (3) The restriction in subsection (2) does not apply to works carried out to premises in respect of which there is no person (or no ascertainable person) eligible to participate in the scheme.
- (4) The restriction in subsection (2) does not apply to works—
 - (a) which are carried out to premises in respect of which the person eligible to participate consents to their being carried out but has not signified scheme consent (and, accordingly, is not liable to contribute), and
 - (b) which it is necessary to carry out in order satisfactorily to carry out any works specified in the scheme to another part of the same building in respect of which a person eligible to participate has signified scheme consent.

66 Certificate of completion date

- (1) When the works specified in a group repair scheme are completed, the local housing authority shall send to each assisted participant a certificate specifying the date on which the works were completed to the authority's satisfaction.
- (2) In this Chapter that date is referred to as "the completion date".

67 Contributions by participants

- (1) The participants in a group repair scheme are liable to contribute to the cost, as notified to them under the scheme, of scheme works relating to the premises in which they have an interest, at a rate determined in accordance with this section.
- (2) The cost of the works shall be apportioned between the several buildings and premises in such way as may be agreed between the participants with owner's interests in them or, in default of agreement, equally.
- (3) In the case of an unassisted participant, the rate of contribution is 100 per cent.
- (4) In the case of an assisted participant whose owner's interest is in premises other than a dwelling or house in multiple occupation, the rate of contribution is—
 - (a) 25 per cent. where the building is in a renewal area, and
 - (b) 50 per cent. in any other case.

The Secretary of State may by order amend paragraph (a) or (b) so as to specify a different percentage.

- (5) In the case of any other assisted participant, the rate of contribution is a percentage determined by the local housing authority not exceeding that which would apply under subsection (4).
- (6) In making their determination the authority shall have regard to the way in which—
 - (a) section 30 (means-testing in case of application by owner-occupier or tenant),
or
 - (b) section 31 (determination of amount of grant in case of landlord's application),would apply if he were an applicant for a renovation grant or, as the case may require, an HMO grant.
- (7) They shall also have regard to any guidance given by the Secretary of State for the purposes of this section.

Different guidance may be given for different cases, different descriptions of cases and different areas and, in particular, with respect to different local housing authorities or descriptions of authority (including a description framed by reference to authorities in a particular area).

Variation of group repair scheme

68 Variation of group repair scheme

- (1) A group repair scheme may be varied at any time before the completion date.

The variation may relate to the participants in the scheme, the buildings to which the scheme relates, the scheme works or any other matter.

Status: This is the original version (as it was originally enacted).

- (2) A variation is not effective unless approved by the Secretary of State.

The provisions of section 63(2) to (4) (supplementary provisions as to approval of scheme) apply to approval of a variation.

- (3) Where a scheme is varied to enable other persons to participate, section 64 (persons eligible to participate) applies in relation to new participants with the substitution for the reference to the date of approval of the scheme of a reference to the date of approval of the variation.

In the case of a variation not submitted for specific approval, the date of approval shall be taken to be the date on which the authority decide that the variation fulfils the criteria for general approval.

- (4) Before varying a group repair scheme the local housing authority shall consult the existing participants and consider any representations made by them.

- (5) Fresh scheme consent is required in the case of an existing participant as to whom the authority are satisfied that his interests are adversely affected by the variation.

In any other case the existing scheme consent shall be treated as extended to the scheme as varied.

Conditions of participation

69 Conditions of participation: general

- (1) The following sections have effect with respect to the conditions of participation in a group repair scheme as an assisted participant.

- (2) Except as otherwise provided those conditions have effect for the period of five years, or such other period as may be prescribed, beginning with the completion date.

That period is referred to in this Chapter as “the protected period”.

- (3) For the purposes of those conditions the “balance of the cost” is the difference between—

- (a) the cost as notified to the participant under the scheme of such of the works specified in the scheme as relate to the premises in which his owner’s interest subsisted, and
- (b) the amount of the contribution in respect of that cost paid by him by virtue of section 67.

70 Condition as to payment of balance of cost on disposal

- (1) It is a condition of participation in a group repair scheme as an assisted participant that if, at any time after signifying scheme consent and before the end of the protected period, he makes a relevant disposal (other than an exempt disposal) of the premises in which he had an owner’s interest at the date of the approval of the scheme, he shall pay to the local housing authority on demand the balance of the cost.

- (2) The condition under this section is a local land charge and is binding on any person who is for the time being an owner of the premises concerned.

- (3) Where the authority have the right to demand payment of an amount as mentioned in subsection (1), they may determine not to demand payment or to demand a lesser amount.
- (4) The condition under this section shall cease to be in force with respect to any premises if there is a relevant disposal of the premises that is an exempt disposal, other than—
 - (a) a disposal within section 54(1)(a) (disposal to associates of person making disposal), or
 - (b) a disposal within section 54(1)(b) (vesting under will or on intestacy).

71 Conditions as to occupation

- (1) It is a condition of participation in a group repair scheme as an assisted participant—
 - (a) where the participant gave an owner-occupation certificate, that throughout the protected period the dwelling is occupied in accordance with the intention stated in the certificate;
 - (b) where the participant gave a certificate of intended letting, that throughout the protected period the dwelling is let or available for letting in accordance with the intention stated in the certificate; and
 - (c) where the participant gave a certificate of future occupation, that throughout the protected period the house is residentially occupied, or available for residential occupation, in accordance with the intention stated in the certificate.
- (2) It is also a condition of participation as an assisted participant that if at any time when any of the above conditions is in force the authority serve notice on the owner of the dwelling or house requiring him to do so, he will within the period of 21 days beginning with the date on which the notice was served furnish to the authority a statement showing how that condition is being fulfilled.
- (3) A condition under this section is a local land charge and is binding on any person who is for the time being an owner of the dwelling or house.
- (4) In the event of a breach of a condition under this section, the owner for the time being of the dwelling or house shall pay to the local housing authority on demand the balance of the cost.
- (5) The local housing authority may determine not to make such a demand or may demand a lesser amount.
- (6) Any condition under this section shall cease to be in force with respect to any premises if there is a relevant disposal of the premises which is an exempt disposal other than a disposal within section 54(1)(a) (disposal to associates of person making disposal).

72 Meaning of relevant disposal and exempt disposal

Sections 53 and 54 (meaning of “relevant disposal” and “exempt disposal”) apply for the purposes of this Chapter.

73 Payment of balance of cost, &c: cessation of conditions

- (1) If at any time while a condition of participation under section 70 or 71 remains in force—

Status: This is the original version (as it was originally enacted).

- (a) the assisted participant pays the balance of the cost to the local housing authority,
 - (b) a mortgagee of the interest of the assisted participant in the premises being a mortgagee entitled to exercise a power of sale, makes such a payment,
 - (c) the authority determine not to demand payment on the breach of a condition of participation, or
 - (d) the authority demand payment in whole or in part on the breach of a condition of participation and that demand is satisfied,
- that condition and any other conditions of participation shall cease to be in force with respect to the premises of that assisted participant.
- (2) An amount paid by a mortgagee under subsection (1)(b) above shall be treated as part of the sums secured by the mortgage and may be discharged accordingly.
- (3) The purposes authorised for the application of capital money by—
- (a) section 73 of the Settled Land Act 1925,
 - (b) that section as applied by section 28 of the Law of Property Act 1925 in relation to trusts for sale, and
 - (c) section 26 of the Universities and College Estates Act 1925,
- include the making of payments under this section.

Supplementary provisions

74 Power of Secretary of State to modify operation of Chapter

- (1) If the Secretary of State so directs in the case of any scheme or any description of scheme, such of the preceding provisions of this Chapter as are specified in the direction shall not apply in relation to that scheme or, as the case may be, in relation to a scheme of that description.
- (2) The power under this section to give directions may be so exercised as to make different provision with respect to different local housing authorities or descriptions of authority (including a description framed by reference to authorities in a particular area).

75 Index of defined expressions: Chapter II

In this Chapter the expressions listed below are defined by or otherwise fall to be construed in accordance with the provisions indicated—

assisted participant	section 64(2) and (7)
balance of the cost (in relation to conditions of participation)	section 69(3)
building	section 60(2)
certificate of future occupation	section 64(6)
certificate of intended letting	section 64(4)
completion date	section 66(2)
connected (with the owner of a dwelling)	section 98(2)

dwelling	section 101
eligible to participate	section 64(1)
exempt disposal	section 72 (and section 54)
group repair scheme	section 60(1)
house in multiple occupation	section 101
housing action trust	section 101
local authority	section 101
local housing authority	section 101
long tenancy	section 101
member of family	section 98(1)
new town corporation	section 101
owner	sections 99 and 101
owner-occupation certificate	section 64(3)
owner's interest	section 101
prescribed	section 101
protected period (in relation to conditions of participation)	section 69(2)
reasonable repair	section 96
registered social landlord	section 101
relevant disposal	section 72 (and section 53)
renewal area	section 101
scheme consent	section 65(1)
scheme works	section 62
tenancy and tenant (generally)	section 101
tenant and related expressions (in the context of a certificate of intended letting)	section 64(5)
unassisted participant	section 64(9)
