



Local Government Act 2003

2003 CHAPTER 26

PART 7

HOUSING FINANCE ETC

87 Housing strategies and statements

[^{F1}(1) [^{F2}The Welsh Ministers] may—

- (a) require a local housing authority [^{F3}in Wales] to have a strategy in respect of such matters relating to housing as [^{F4}the Welsh Ministers] may specify, and
 - (b) impose requirements with respect to—
 - (i) the ends that the strategy is to be designed to achieve,
 - (ii) the formulation of policy for the purposes of the strategy, or
 - (iii) review of the strategy.
- (2) [^{F5}The Welsh Ministers] may require a local housing authority [^{F6}in Wales], by such time as [^{F7}the Welsh Ministers] may specify, to prepare and supply [^{F7}the Welsh Ministers] with a statement setting out such material of either of the following descriptions as [^{F7}the Welsh Ministers] may specify—
- (a) a strategy that the authority is required to have under subsection (1);
 - (b) other material relating to housing.
- (3) [^{F8}The Welsh Ministers] may, in relation to a statement whose preparation and supply is required under subsection (2), impose requirements with respect to—
- (a) the contents of the statement;
 - (b) the form of the statement;
 - (c) the statement's supply to [^{F9}the Welsh Ministers].

[^{F10}(4) In this section—

“housing” includes accommodation needs for gypsies and travellers within the meaning of ^{F11}...

- (a) [^{F12}section 225 of the Housing Act 2004, in the case of a local housing authority in England;

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- (b) Part 3 of the Housing (Wales) Act 2014, in the case of a local housing authority in Wales];
 “local housing authority” has the same meaning as in the Housing Act 1985 (c. 68).]]

Textual Amendments

- F1** S. 87 ceases to have effect in E. (26.5.2015) by virtue of Deregulation Act 2015 (c. 20), **ss. 29(1), 115(3)(c)**
- F2** Words in s. 87(1) substituted (26.5.2015) by Deregulation Act 2015 (c. 20), **ss. 29(3)(a), 115(3)(c)**
- F3** Words in s. 87(1)(a) inserted (26.5.2015) by Deregulation Act 2015 (c. 20), **ss. 29(3)(b)(i), 115(3)(c)**
- F4** Words in s. 87(1)(a) substituted (26.5.2015) by Deregulation Act 2015 (c. 20), **ss. 29(3)(b)(ii), 115(3)(c)**
- F5** Words in s. 87(2) substituted (26.5.2015) by Deregulation Act 2015 (c. 20), **ss. 29(4)(a), 115(3)(c)**
- F6** Words in s. 87(2) inserted (26.5.2015) by Deregulation Act 2015 (c. 20), **ss. 29(4)(b), 115(3)(c)**
- F7** Words in s. 87(2) substituted (26.5.2015) by Deregulation Act 2015 (c. 20), **ss. 29(4)(c), 115(3)(c)**
- F8** Words in s. 87(3) substituted (26.5.2015) by Deregulation Act 2015 (c. 20), **ss. 29(5)(a), 115(3)(c)**
- F9** Words in s. 87(3)(c) substituted (26.5.2015) by Deregulation Act 2015 (c. 20), **ss. 29(5)(b), 115(3)(c)**
- F10** S. 87(4) substituted (2.1.2007 for E., 13.12.2007 for W.) by Housing Act 2004 (c. 34), s. 270(4)(5)(f), **Sch. 15 para. 47; S.I. 2006/3191, art. 2; S.I. 2007/3232, art. 2(c)**
- F11** Words in s. 87(4) omitted (25.2.2015) by virtue of Housing (Wales) Act 2014 (anaw 7), s. 145(3), **Sch. 3 para. 23(1)(a); S.I. 2015/380, art. 2(h)**
- F12** Words in s. 87(4) inserted (25.2.2015) by Housing (Wales) Act 2014 (anaw 7), s. 145(3), **Sch. 3 para. 23(1)(b); S.I. 2015/380, art. 2(h)**

88 Housing Revenue Account business plans

- (1) The power under section 87(3) includes (in particular) power to require that material—
- in a statement, and
 - relating to property within the Housing Revenue Account of the authority preparing the statement,
- be designated in the statement as being, or forming part of, the authority’s Housing Revenue Account business plan.
- (2) All material that—
- in accordance with requirements imposed under section 87(3) is so designated in a statement prepared for the purposes of section 87(2) by an authority [^{F13}in Wales], and
 - has not in a subsequent statement so prepared by the authority been declared to be superseded or withdrawn,
- shall collectively be known as the authority’s Housing Revenue Account business plan.
- (3) The reference in subsection (1) to property within an authority’s Housing Revenue Account has the same meaning as in Part 6 of the Local Government and Housing Act 1989 (c. 42) (housing finance).

Textual Amendments

- F13** Words in s. 88(2)(a) inserted (26.5.2015) by Deregulation Act 2015 (c. 20), **ss. 29(6)(a), 115(3)(c)**

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89 Housing Revenue Account subsidy: payment and calculation

(1) For section 79(2) of the Local Government and Housing Act 1989 (payment of Housing Revenue Account subsidy) there is substituted—

“(2) Housing Revenue Account subsidy shall be paid by the appropriate person—

- (a) in such instalments, at such times and in such manner, and
- (b) subject to such conditions as to claims, records, certificates, supply of Housing Revenue Account business plans, audit or otherwise,

as the appropriate person may determine.”

(2) In section 80 of that Act (calculation of Housing Revenue Account subsidy), for subsection (1) (subsidy to be calculated in accordance with formulae) there is substituted—

“(1) The amount of Housing Revenue Account subsidy (if any) payable to a local housing authority for a year shall be calculated in such manner as the appropriate person may from time to time determine.

(1A) A determination under subsection (1) above may (in particular)—

- (a) provide for all or part of the amount to be calculated in accordance with a formula or formulae;
- (b) provide for the amount, or part of the amount, to be calculated by reference to—
 - (i) whether any Housing Revenue Account business plan that the authority are required to prepare by any time has been supplied to the appropriate person or has been supplied to the appropriate person by that time;
 - (ii) the appropriate person’s assessment of any Housing Revenue Account business plan prepared by the authority and supplied to the appropriate person;
 - (iii) whether conditions are met that relate to, or to the authority’s conduct of, the authority’s finances or any aspect of those finances;
 - (iv) an assessment of the state of, or of the authority’s conduct of, the authority’s finances or any aspect of those finances;
 - (v) whether conditions are met that relate to housing provided by the authority, to housing functions of the authority or to the authority’s performance in exercising such functions;
 - (vi) an assessment of, or of the state of, housing provided by the authority;
 - (vii) an assessment of the authority’s performance in exercising functions in relation to housing provided by the authority or in otherwise exercising housing functions;
 - (viii) whether, as respects housing provided by the authority, management functions exercisable in relation to that housing have been entrusted to a company;
 - (ix) whether, where such functions have been entrusted to a company, conditions are met that relate to the performance of the company in exercising the functions;

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- (x) an assessment, where such functions have been entrusted to a company, of the performance of the company in exercising those functions;
 - (xi) assumptions as to any matter;
 - (c) have the effect that the amount, or part of the amount, is nil or a negative amount;
 - (d) make different provision for different parts of the amount.”
- (3) In subsection (3) of that section (determinations of, and for the purposes of, formulae) —
- (a) in the words before paragraph (a), for “the Secretary of State may” there is substituted “ the appropriate person may (in particular) ”, and
 - (b) the words after paragraph (c) (which are superseded by the new subsections (5) and (6) of that section) are omitted.
- (4) In subsections (3)(b) and (4) of that section (provisions about formulae), for “Secretary of State” (in each place) there is substituted “ appropriate person ”.
- (5) In that section, after subsection (4) there is inserted—
- “(5) Nothing in subsections (1A) to (4) above is to be taken as limiting the appropriate person’s discretion under subsection (1) above.
 - (6) The appropriate person may make a determination under subsection (1) above, or a calculation under such a determination, on the basis of information received by him on or before such date as he thinks fit.”
- (6) In section 88(1) of that Act (interpretation of Part 6), after paragraph (a) there is inserted—
- “(aa) “the appropriate person” means—
 - (i) in relation to England, the Secretary of State, and
 - (ii) in relation to Wales, the National Assembly for Wales;”.

Commencement Information

- I1** S. 89 in force at 18.11.2003 for E. by [S.I. 2003/2938](#), [art. 3\(a\)](#) (with [art. 8](#), [Sch.](#))
- I2** S. 89 in force at 27.11.2003 for W. for the purpose of and in relation to financial years beginning on or after 1.4.2004 by [S.I. 2003/3034](#), [art. 2](#), [Sch. 1 Pt. I](#)

90 Housing Revenue Account subsidy: negative amounts

- (1) In Part 6 of the Local Government and Housing Act 1989 (c. 42) (housing finance), after section 80 there is inserted—

“80ZA Negative amounts of subsidy payable to appropriate person

- (1) If calculation in accordance with a determination under section 80(1) above of the amount of Housing Revenue Account subsidy payable to a local housing authority for a year produces a negative amount—
- (a) the authority shall for that year debit the equivalent positive amount to their Housing Revenue Account, and
 - (b) pay that equivalent amount to the appropriate person.

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- (2) Amounts payable to the appropriate person under subsection (1)(b) above shall be paid to him in such instalments, at such times and in such manner as he may determine.
 - (3) A payment in respect of an amount payable under subsection (1)(b) above shall be accompanied by such information as the appropriate person may require.
 - (4) The appropriate person may charge a local housing authority interest, at such rates and for such periods as he may determine, on any sum payable to him under subsection (1)(b) above that is not paid by such time as may be determined under subsection (2) above for its payment.
 - (5) The appropriate person may charge a local housing authority an amount equal to any additional costs incurred by him as a result of any sum payable to him under subsection (1)(b) above not being paid by such time as may be determined under subsection (2) above for its payment.”
- (2) In section 80 of that Act (calculation of Housing Revenue Account subsidy), subsection (2) (negative amounts of subsidy) is omitted.
 - (3) In Part 2 of Schedule 4 to that Act (amounts to be debited to a local housing authority’s Housing Revenue Account), for item 5 there is substituted—
“Item 5: sums payable under section 80ZA
Sums payable for the year to the Secretary of State, or the National Assembly for Wales, under subsection (1)(b) of section 80ZA of this Act (Housing Revenue Account subsidy of a negative amount) and—
 - (a) any interest charged on those sums under subsection (4) of that section, and
 - (b) any amount charged under subsection (5) of that section in respect of costs incurred as a result of late payment of any of those sums.”
 - (4) In section 141(8) of the Local Government Finance Act 1988 (c. 41) (amounts due from authorities that may be set off against amounts due from Secretary of State or National Assembly for Wales), for “and paragraphs 12 and 15 of that Schedule” there is substituted “, paragraphs 12 and 15 of that Schedule and section 80ZA of the Local Government and Housing Act 1989 (negative amounts of Housing Revenue Account subsidy and interest and costs where payment made late) ”.

Commencement Information

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| I3 | S. 90(1) in force at 18.11.2003 for E. by S.I. 2003/2938, art. 3(a) (with art. 8, Sch.) |
| I4 | S. 90(1)-(3) in force at 27.11.2003 for W. for the purpose of and in relation to financial years beginning on or after 1.4.2004 by S.I. 2003/3034, art. 2, Sch. 1 Pt. 1 |
| I5 | S. 90(2)(3) in force at 1.4.2004 for E. by S.I. 2003/2938, art. 7(a) (with art. 8, Sch.) |

91 Housing Revenue Accounts etc: adaptation of enactments

- (1) In Part 6 of the Local Government and Housing Act 1989 (c. 42) (housing finance), after section 87 there is inserted—

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“87A Orders amending Part 6

- (1) The appropriate person may by order—
 - (a) amend, repeal or re-enact provisions of sections 74 to 76 and 78 of, and Schedule 4 to, this Act;
 - (b) provide for any such provisions—
 - (i) not to apply, whether at all or in cases specified by the order or to authorities so specified;
 - (ii) to apply, whether generally or in cases so specified or to authorities so specified, subject to modifications so specified.
- (2) An order under this section may (in particular)—
 - (a) add items to, or remove items from, Part 1 or 2 of Schedule 4 to this Act, or vary items of those Parts;
 - (b) confer discretions, or expand, curtail or repeal discretions conferred, on the appropriate person or any other person;
 - (c) be made before, during or after the end of any year to which it relates.
- (3) In subsection (2)(b) above “discretion” includes power to make a determination or give a direction.
- (4) An order under this section may—
 - (a) contain such incidental, consequential, transitional or supplementary provisions (including provisions amending or repealing enactments), and such savings, as the appropriate person considers appropriate;
 - (b) make different provision for different cases or authorities.
- (5) The power to make an order under this section is exercisable by statutory instrument.
- (6) The Secretary of State shall not make an order under this section unless a draft of the order has been laid before, and approved by resolution of, each House of Parliament.”

- (2) In Part 4 of Schedule 4 to that Act (Housing Revenue Accounts: supplementary provisions), paragraph 3 (which is superseded by the new section 87A) is omitted.

92 Local housing authority houses: rents

- (1) In section 24(3) of the Housing Act 1985 (c. 68) (local housing authorities in England and Wales to have regard to private sector rents in setting rents for their houses), after “a local housing authority” there is inserted “ in Wales ”.
- (2) The National Assembly for Wales may by order repeal section 24(3) of that Act (as amended by subsection (1)).

Commencement Information

- I6** S. 92(1) in force at 18.11.2003 by S.I. 2003/2938, art. 2(a) (with art. 8, Sch.)
- I7** S. 92(2) in force at 1.4.2004 by S.I. 2003/3034, art. 2, Sch. 1 Pt. II

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act applied (with modifications) by [S.I. 2024/414 art. 5Sch. 1 para. 13](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 18(2A) inserted by [2007 c. 28 Sch. 14 para. 5\(2\)\(b\)](#)
- s. 24(1) s. 24 renumbered as s. 24(1) by [2007 c. 28 Sch. 14 para. 5\(3\)](#)
- s. 24(2) inserted by [2007 c. 28 Sch. 14 para. 5\(3\)](#)