



Local Government Act 2003

2003 CHAPTER 26

PART 7

HOUSING FINANCE ETC

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;

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- (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;
 - (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—

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- (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](#)

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Changes and effects yet to be applied to :

- s. 89(4) repealed by [2011 c. 20 Sch. 25 Pt. 24](#)

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\(3\)](#)