

### SCHEDULE 3

*(introduced by section 74(5))*

#### MANAGEMENT CONTROL ORDERS

##### *Application and interpretation*

- 1 (1) Paragraphs 2 to 6 apply while an order is in force in respect of a house.
- (2) In this schedule—
- “management period”, in relation to an order, means the period specified in the order; and
  - “order” means a management control order.

##### *Effect of order*

- 2 The order shall not affect the rights or liabilities of any person who, at the time when the order is made, is occupying the relevant house under the tenancy or, as the case may be, occupancy arrangement.

##### *Accounts*

- 3 (1) The local authority shall pay to such relevant person as it considers appropriate—
- (a) any surplus of its income over its expenditure in respect of the house to which the order relates; and
  - (b) the interest on any such surplus at such reasonable rate as the authority may determine.
- (2) The local authority shall—
- (a) keep accounts for the management period of its income and expenditure in respect of the house to which the order relates; and
  - (b) afford to the relevant person all reasonable facilities for inspecting, taking copies of and verifying those accounts.
- (3) The Scottish Ministers may by regulations make provision about—
- (a) expenditure which local authorities may incur in respect of houses to which orders relate; and
  - (b) the means of recovering such expenditure.
- (4) For the purposes of this paragraph “relevant person” means the person who, immediately before the order was made, was the landlord of the house to which the order relates.

##### *Recovery of rent arrears etc.*

- 4 If during the management period—
- (a) rent payable; or
  - (b) consideration payable or exigible,
- under the tenancy or occupancy arrangement is not paid or made, the authority shall take all reasonable steps to recover the rent or consideration.

*Delegation of management functions*

- 5 The local authority may authorise any person to do in relation to the relevant house anything that the authority is, by virtue of the order, entitled to do.

*New tenancies and occupancy arrangements*

- 6 (1) Where—
- (a) the house to which an order relates is occupied by virtue of—
    - (i) two or more tenancies;
    - (ii) two or more occupancy arrangements; or
    - (iii) one or more tenancies and one or more occupancy arrangements;and
  - (b) during the management period, one of those tenancies or occupancy arrangements (the “old occupancy right”) ends,
- the person who, immediately before the order was made, was the landlord of the house may, if the local authority agrees, grant a tenancy or make an occupancy arrangement in respect of the part of the house that was subject to the old occupancy right.
- (2) Any rights and obligations of the landlord under a tenancy granted, or an occupancy arrangement made, by virtue of sub-paragraph (1) shall be deemed to have been transferred, by virtue of the order relating to the house, to the local authority specified in the order.