



Housing Grants, Construction and Regeneration Act 1996

1996 CHAPTER 53

PART I

GRANTS, &C. FOR RENEWAL OF PRIVATE SECTOR HOUSING

CHAPTER I

THE MAIN GRANTS

Payment of grants

35 Payment of grants: general.

- (1) Where the local housing authority have approved an application for a grant, they shall pay the grant, subject to the following provisions of this Chapter.
- (2) The grant may be paid—
 - (a) in whole after the completion of the eligible works, or
 - (b) in part by instalments as the works progress and the balance after completion of the works.
- (3) Where a grant is paid by instalments, the aggregate of the instalments paid before the completion of the eligible works shall not at any time exceed nine-tenths of the amount of the grant.

36 Delayed payment of mandatory grant.

- (1) [^{F1}The local housing authority may approve an application for a grant] on terms that payment of the grant, or part of it, will not be made before a date specified in the notification of their decision on the application.

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- (2) That date shall not be more than twelve months, or such other period as may be specified by order of the Secretary of State, after the date of the application.

Textual Amendments

- F1** Words in s. 36(1) substituted (19.7.2003) by [The Regulatory Reform \(Housing Assistance\) \(England and Wales\) Order 2002 \(S.I. 2002/1860\)](#), arts. 1(3), 11(1), **Sch. 3 para. 15** (with art. 11(2))

37 Payment of grants: conditions as to carrying out of the works.

- (1) It is a condition of payment of every grant that the eligible works are carried out within twelve months from—
- (a) the date of approval of the application concerned, or
 - (b) where section 36 applies (delayed payment of mandatory grant), the date specified in the notification of the authority's decision,
- or, in either case, such further period as the local housing authority may allow.
- (2) The authority may, in particular, allow further time where they are satisfied that the eligible works cannot be, or could not have been, carried out without carrying out other works which could not have been reasonably foreseen at the time the application was made.
- (3) In approving an application for a grant a local housing authority may require as a condition of payment of the grant that the eligible works are carried out in accordance with such specifications as they determine.
- (4) The payment of a grant, or part of a grant, is conditional upon—
- (a) the eligible works or the corresponding part of the works being executed to the satisfaction of the authority, and
 - (b) the authority being provided with an acceptable invoice, demand or receipt for payment for the works and any preliminary or ancillary services or charges in respect of which the grant or part of the grant is to be paid.

For this purpose an invoice, demand or receipt is acceptable if it satisfies the authority and is not given by the applicant or a member of his family.

38 Payment of grants: conditions as to contractors employed.

- (1) It is a condition of payment of every grant, unless the local housing authority direct otherwise in any particular case, that the eligible works are carried out by the contractor whose estimate accompanied the application or, where two or more estimates were submitted, by one of those contractors.
- (2) The Secretary of State may by regulations make provision as to the establishing and maintaining by local housing authorities of lists of contractors approved by them for the purpose of carrying out grant-aided works.
- (3) The regulations may provide that it shall be a condition of payment of every grant by a local housing authority by whom such a list is maintained that, except in such cases as may be prescribed and unless the local housing authority direct otherwise in any particular case, the eligible works are carried out by a contractor who is on the authority's list of approved contractors.

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39 Payment of grant to contractor.

- (1) The local housing authority may pay a grant or part of a grant—
 - (a) by payment direct to the contractor, or
 - (b) by delivering to the applicant an instrument of payment in a form made payable to the contractor.

They shall not do so unless the applicant was informed before the grant application was approved that this would or might be the method of payment.

- (2) Where an amount of grant is payable, but the works in question have not been executed to the satisfaction of the applicant, the local housing authority may at the applicant’s request and if they consider it appropriate to do so withhold payment from the contractor.

If they do so, they may make the payment to the applicant instead.

40 Applicant ceasing to be entitled before payment of grant.

- (1) This section applies where an application for a grant is approved but before the certified date the applicant ceases to be a person entitled to a grant ^{F2}

In the case of a joint application this section does not apply unless all the applicants cease to be so entitled.

- (2) Where this section applies—
 - [^{F3}(a) no grant shall be paid or, as the case may be, no further instalments shall be paid, and
 - (b) the authority may demand that any instalment of the grant which has been paid be repaid forthwith, together with interest from the date on which it was paid until repayment, at such reasonable rate as the authority may determine.

- (3) ^{F4}

- (4) For the purposes of this section an applicant ceases to be a person entitled to a ^{F5} . . . grant—

- (a) in the case of an owner’s application—
 - (i) if he ceases to have a qualifying owner’s interest, or
 - (ii) if he ceases to have the intention specified in the owner’s certificate which accompanied the application;
- (b) in the case of a tenant’s application—
 - (i) if he ceases to be a qualifying tenant of the dwelling, or
 - (ii) if the application was accompanied by an owner’s certificate and the landlord ceases to have the intention specified in the certificate.

But if the case falls within section 41 (change of circumstances affecting disabled occupant), the authority shall act under that section.

- (5) ^{F6}

- (6) ^{F6}

- (7) This section has effect subject to section 56 (provisions relating to death of applicant).

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Textual Amendments

- F2** Words in s. 40(1) repealed (19.7.2003) by The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (S.I. 2002/1860), arts. 1(3), 11(1), 15, **Sch. 3 para. 16(a)**, **Sch. 6** (with art. 11(2))
- F3** Words in s. 40(2) substituted (19.7.2003) by The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (S.I. 2002/1860), arts. 1(3), 11(1), **Sch. 3 para. 16(b)** (with art. 11(2))
- F4** S. 40(3) repealed (19.7.2003) by The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (S.I. 2002/1860), arts. 1(3), 11(1), 15, **Sch. 3 para. 16(c)**, **Sch. 6** (with art. 11(2))
- F5** Words in s. 40(4) repealed (19.7.2003) by The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (S.I. 2002/1860), arts. 1(3), 11(1), 15, **Sch. 3 para. 16(d)**, **Sch. 6** (with art. 11(2))
- F6** S. 40(5)(6) repealed (19.7.2003) by The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (S.I. 2002/1860), arts. 1(3), 11(1), 15, **Sch. 3 para. 16(e)**, **Sch. 6** (with art. 11(2))

41 Change of circumstances affecting disabled occupant.

- (1) This section applies where an application for a ^{F7} . . . grant has been approved and before the certified date—
- (a) the works cease to be necessary or appropriate to meet the needs of the disabled occupant, or
 - (b) the disabled occupant ceases to occupy the dwelling [^{F8}, qualifying houseboat, [^{F9}caravan]] or flat concerned or it ceases to be the intention that he should occupy it, or
 - (c) the disabled occupant dies.
- Where the application related to more than one disabled occupant, this section applies if any of paragraphs (a) to (c) applies in relation to any of them.
- (2) This section applies whether or not the disabled occupant (or any of them) is the applicant (or one of them).
- (3) Where this section applies the local housing authority may take such action as appears to them appropriate and may decide—
- (a) that no grant shall be paid or, as the case may be, no further instalments shall be paid,
 - (b) that the relevant works or some of them should be completed and the grant or an appropriate proportion of it paid, or
 - (c) that the application should be redetermined in the light of the new circumstances.
- (4) In making their decision the authority shall have regard to all the circumstances of the case.
- (5) If the authority decide that no grant shall be paid or that no further instalments shall be paid, they may demand that any instalment of the grant which has been paid be repaid forthwith, together with interest from the date on which it was paid until repayment, at such reasonable rate as the authority may determine.

Textual Amendments

- F7** Words in s. 41(1) repealed (19.7.2003) by The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (S.I. 2002/1860), arts. 1(3), 11(1), 15, **Sch. 3 para. 17(a)**, **Sch. 6** (with art. 11(2))

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- F8** Words in s. 41(1)(b) inserted (19.7.2003) by The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (S.I. 2002/1860), arts. 1(3), 11(1), **Sch. 3 para. 17(b)** (with art. 11(2))
- F9** Word in s. 41(1)(b) substituted (18.1.2005) by Housing Act 2004 (c. 34), **ss. 224(5)(d), 270(3)(a)** (with s. 224(9))

42 Cases in which grants may be re-calculated, withheld or repaid.

- (1) This section applies where an application for a grant has been approved by the local housing authority and—
 - (a) the authority ascertain that the amount was determined under section 30 or 31 on the basis of inaccurate or incomplete information and exceeds that to which the applicant was entitled;
 - (b) the authority ascertain that without their knowledge the eligible works were started before the application was approved;
 - (c) the eligible works are not completed to the satisfaction of the authority within the period specified under section 37(1), or such extended period as they may allow under that provision;
 - (d) the authority ascertain that the aggregate of the cost of completing the eligible works and the costs incurred with respect to preliminary or ancillary services and charges, is or is likely to be lower than the estimated expense; or
 - (e) the authority ascertain that without their knowledge the eligible works were carried out otherwise than as required by section 38 (conditions as to contractors employed).
- (2) Where this section applies, the authority may—
 - (a) refuse to pay the grant or any further instalment of grant which remains to be paid, or
 - (b) make a reduction in the grant which, in a case falling within subsection (1)(d), is to be a reduction proportionate to the reduction in the estimated expense;
 and they may demand repayment by the applicant forthwith, in whole or part, of the grant or any instalment of the grant paid, together with interest at such reasonable rate as the authority may determine from the date of payment until repayment.

43 Repayment where applicant not entitled to grant.

- (1) This section applies where an application for a grant is approved but it subsequently appears to the local housing authority that the applicant (or, in the case of a joint application, any of the applicants) was not, at the time the application was approved, entitled to a grant ^{F10}
- (2) Where this section applies—
 - [^{F11}(a) no grant shall be paid or, as the case may be, no further instalments shall be paid, and
 - (b)] the authority may demand that any grant which has been paid be repaid forthwith, together with interest from the date on which it was paid until repayment, at such reasonable rate as the authority may determine.
- (3) ^{F12}
- (4) For the purposes of this section an applicant is not entitled to a ^{F13} . . . grant—
 - (a) in the case of an owner’s application—

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- (i) if he does not have a qualifying owner’s interest, or
- (ii) if he does not have the intention specified in the owner’s certificate which accompanied the application; or
- (b) in the case of a tenant’s application—
 - (i) if he is not a qualifying tenant of the dwelling, or
 - (ii) if the application was accompanied by an owner’s certificate and the landlord does not have the intention specified in the certificate;]^{F14} or
- (c) in the case of an occupier’s application, if he does not have the intention specified in the occupier’s certificate which accompanied the application.]

- (5) ^{F15}
- (6) ^{F15}

Textual Amendments

F10 Words in s. 43(1) repealed (19.7.2003) by The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (S.I. 2002/1860), arts. 1(3), 11(1), 15, **Sch. 3 para. 18(a), Sch. 6** (with art. 11(2))

F11 Words in s. 43(2) substituted (19.7.2003) by The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (S.I. 2002/1860), arts. 1(3), 11(1), **Sch. 3 para. 18(b)** (with art. 11(2))

F12 S. 43(3) repealed (19.7.2003) by The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (S.I. 2002/1860), arts. 1(3), 11(1), 15, **Sch. 3 para. 18(c), Sch. 6** (with art. 11(2))

F13 Words in s. 43(4) repealed (19.7.2003) by The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (S.I. 2002/1860), arts. 1(3), 11(1), 15, **Sch. 3 para. 18(d)(i), Sch. 6** (with art. 11(2))

F14 S. 43(4)(c) and preceding word inserted (19.7.2003) by The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (S.I. 2002/1860), arts. 1(3), 11(1), **Sch. 3 para. 18(d)(ii)** (with art. 11(2))

F15 S. 43(5)(6) repealed (19.7.2003) by The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (S.I. 2002/1860), arts. 1(3), 11(1), 15, **Sch. 3 para. 18(e), Sch. 6** (with art. 11(2))

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