
STATUTORY INSTRUMENTS

1992 No. 1725

The Housing (Northern Ireland) Order 1992

CHAPTER III

FINANCIAL ASSISTANCE FOR HOUSING ASSOCIATIONS

Surplus rental income

37.—(1) An association to which this Article applies, that is to say, a registered housing association which has at any time received a payment in respect of—

(a) a grant under Article 33, or

(b) a grant under Article 137 of the Order of 1981 or any provision replaced by that Article, (in this Article referred to as a “relevant grant”) shall show separately in its accounts for any period ending on or after the day of the coming into operation of this Part the surpluses arising from increased rental income during that period from such housing activities to which the grant relates as the Department may determine.

(2) The surpluses shall be shown by each association in a fund to be known as its rent surplus fund; and the method of constituting that fund and of showing it in the association’s accounts shall be as required by order of the Department under Article 19(1) (requirements as to accounts) and such an order may make provision applying to any period to which this Article applies.

(3) The surpluses in respect of a period shall be calculated in such manner as the Department may determine; and a determination under this paragraph may provide that, in calculating surpluses, an association shall act on such assumptions (whether or not borne out or likely to be borne out by events) as may be specified in the determination.

(4) A determination under paragraph (1) or (3) may—

(a) make the same provision for all cases; or

(b) make different provision for different cases or descriptions of cases, including different provision for different areas or for different descriptions of housing associations or housing activities;

and for the purposes of this paragraph descriptions may be framed by reference to any matters whatever, including in particular, in the case of housing activities, the manner in which they are financed.

(5) Before making a determination under paragraph (1) or (3), the Department shall consult such bodies appearing to it to be representative of housing associations as it considers appropriate; and after making such a determination, the Department shall publish it in such manner as the Department considers appropriate for bringing it to the notice of the associations concerned.

(6) The Department may give notice to an association to which this Article applies requiring it to pay to the Department, with interest if demanded, or to apply or appropriate for purposes the Department specifies, any sums standing in its rent surplus fund at the end of a period of account.

(7) Any interest demanded by such a notice is payable—

(a) at the rate or rates (whether fixed or variable) previously determined by the Department, with the consent of the Department of Finance and Personnel, for housing associations

generally and published by the Department or, if no such determination has been made, at the rate or rates (whether fixed or variable) specified with the consent of the Department of Finance and Personnel in the notice; and

- (b) either from the date of the notice or from such other date, not earlier than the end of the period of account, as may be specified in the notice.

(8) A notice under paragraph (6) demanding interest may with the consent of the Department of Finance and Personnel provide that, if the sums required by the notice to be paid to the Department are paid before a date specified in the notice—

- (a) no interest shall be payable for any period after the date of the notice; and
- (b) any interest payable shall be payable at a rate or rates lower than the rate or rates given by paragraph (7).

(9) The Department may give notice—

- (a) to all associations to which this Article applies,
- (b) to associations to which this Article applies of a particular description, or
- (c) to particular associations to which this Article applies,

requiring them to furnish the Department with such information as the Department may reasonably require in connection with the exercise of its functions under this Article; and a notice under subparagraph (a) or (b) may be given by publication in such manner as the Department considers appropriate for bringing it to the attention of the associations concerned.

(10) Where—

- (a) an association has received a payment in respect of a relevant grant, and
- (b) at any time property to which the grant relates becomes vested in, or is leased for a term of years to, or reverts to, some other registered housing association,

this Article (including this paragraph) shall have effect in relation to periods after that time as if the payment, or such proportion of it as may be determined by the Department to be appropriate, had been made to that other association.