

## SCHEDULE 3

Regulations 3(c), 4, 5 and 6

### RHOG

#### PART 1

#### INTERPRETATION AND PURPOSE

##### **Interpretation**

**1.** In this Schedule—

“new build property” means subjects comprising a unit that is to be constructed for or by a grant recipient;

“off the shelf property” means subjects comprising a unit that a grant recipient—

- (a) acquires;
- (b) acquires and improves; or
- (c) already owns but improves;

“project” means the provision of a unit which is either a new build property or an off the shelf property;

“RHOG” means rural home ownership grant paid by a local authority to a grant recipient in respect of the subjects in a rural area; and

“term of the RHOG” means 10 years from the date of payment of the RHOG for which the terms and conditions of the grant are to apply.

##### **Purpose**

**2.** The purpose of RHOG is to enable individuals in rural areas to meet the costs of acquiring, constructing or improving a property for occupation as their only or principal residence.

#### PART 2

#### CLASSES OF PERSON

**3.** The classes of person to whom local authorities may provide assistance by RHOG are individuals appraised by a local authority as having insufficient household income to obtain a suitable property for their and their household’s only or principal residence in a rural area on the grounds of cost, location or availability, where those individuals—

- (a) are employed in or have received a formal offer of employment in that area;
- (b) have resided in that area for more than a year and can demonstrate throughout that period a local or family connection with that area; or
- (c) have resided in that area for more than a year and are unable to work due to age, long term sickness or disability.

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

## PART 3

### PROCEDURE TO BE FOLLOWED BY A LOCAL AUTHORITY

4. A local authority shall ensure that—
- (a) each grant applicant submits a preliminary application to enable that local authority to determine whether that grant applicant is eligible for RHOG;
  - (b) each grant applicant assessed as eligible for RHOG in terms of sub-paragraph (a) above submits a detailed application to enable that local authority to undertake an appraisal of the project; and
  - (c) it does not approve an application for RHOG where the project is eligible for, or has received, a grant under section 42 of the Crofters (Scotland) Act 1993(1).

## PART 4

### TERMS AND CONDITIONS ON WHICH ASSISTANCE IS PROVIDED

#### **New build property**

5. The terms and conditions on which RHOG for new build property is provided are—
- (a) the grant recipient shall use RHOG towards the cost of acquiring the subjects and constructing a unit and for no other purpose whatsoever;
  - (b) the unit shall be the only or principal residence of the grant recipient;
  - (c) the grant recipient shall not sell, let, or otherwise dispose of the subjects, units, or any part thereof during the term of the RHOG without the prior written consent of the local authority; and
  - (d) the grant recipient shall grant a standard security over the subjects in favour of the local authority in terms acceptable to that local authority.

#### **Off the shelf property**

6. The terms and conditions specified in paragraphs 5(b), (c) and (d) shall apply to RHOG for off the shelf property and the additional terms and conditions on which RHOG for off the shelf property is provided are that the grant recipient shall use RHOG towards the cost of—

- (a) acquiring the unit;
- (b) acquiring and improving the unit; or
- (c) improving the unit which is already in the ownership of that grant recipient,

and for no other purpose whatsoever.

#### **Default**

7. The breach of any of the terms and conditions detailed in paragraphs 5 or 6 (whichever are appropriate) and regulation 6 shall constitute a default.

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(1) 1993 c. 44.

**Effect of default**

8. Save where paragraph 10 applies, in the event of a default, which is in the opinion of the local authority capable of being remedied, that local authority shall allow the grant recipient a period in which to remedy the default, said period being determined by that local authority on the basis of what it considers reasonable in the circumstances and that local authority shall serve a notice in writing on that grant recipient to that effect.

9. Save where paragraph 10 applies, in the event of a default which is in the opinion of the local authority not capable of being remedied or is a default in terms of paragraph 8 that has not been remedied in terms of that paragraph—

- (a) where no RHOG has been paid that local authority shall not make a payment; and
- (b) in all other cases where payment or part payment of RHOG has been made the grant recipient shall immediately repay to that local authority any such payment or part payment up to the full amount of the RHOG.

10. In the event of a default by the grant recipient of failing to comply with paragraph 5(c) the grant recipient shall repay to the local authority on such sale, let or other disposal, the full amount of the RHOG, or a portion thereof, the amount to be repaid being the difference between the sale price or market value of the unit, whichever is the higher, less any amount due under any permitted security up to the full amount of the RHOG.

**Payment of grant**

11. Payment of RHOG shall only be made in one instalment at the completion of the project.