

## **EXECUTIVE NOTE**

### **The Housing (Scotland) Act 2001 (Alteration of Housing Finance Arrangements) Order 2008 SSI/2008/28**

1. The above instrument was made in exercise of the powers conferred by sections 94(1), (2) and (3) and 109(2) of the Housing (Scotland) Act 2001. The instrument is subject to negative resolution procedure.

#### **Policy Objectives**

2. This instrument enables Inverclyde Council who has transferred its housing stock to close its Housing Revenue Accounts (HRA). The instrument also removes the requirement for Scottish Ministers to calculate Housing Support Grant entitlements. Similar instruments have been laid in respect of the other 6 councils which have previously transferred their housing stocks.
3. The Order allows residual HRA assets to be transferred to the General Fund and requires the councils to keep a separate accounting record of these assets. Under the provisions contained in section 94 of the Housing (Scotland) Act 2001, this will enable Scottish Ministers to make a direction that any receipt from the disposal of residual HRA land be applied, by the authority, for housing related functions.

#### **Consultation**

4. Inverclyde Council has indicated that it wishes to close its HRA at the end of this financial year. The Council is also aware of the direction making powers of Scottish Ministers in terms of the disposal of any residual HRA land or other assets.

#### **Financial Effects**

5. There are no direct financial consequences for the Executive in terms of the closure of councils' HRAs. As indicated in paragraph 3 above Scottish Ministers have a direction making power in terms the use of any receipt from the sale of any retained HRA land or other assets.

**Scottish Executive Development Department  
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