



# Housing, Town Planning, &c. Act 1919

## 1919 CHAPTER 35

### PART I

#### HOUSING OF THE WORKING CLASSES

*Provisions for the assistance of public utility societies, housing trusts, and other persons*

#### **18 Powers of promoting and assisting public utility societies**

- (1) A local authority within the meaning of Part III. of the principal Act, or a county council, may promote the formation or extension of or, subject to the provisions of this section, assist a public utility society whose objects include the erection, improvement or management of houses for the working classes, and where such a society is desirous of erecting houses for the working classes which, in the opinion of the Local Government Board, are required, and the local authority of the area in which the houses are proposed to be built are unwilling to acquire land with a view to selling or leasing the same to the society, the county council, on the application of the society, may for this purpose acquire land and exercise all the powers of a local authority under the Housing Acts in regard to the acquisition and disposal of land, and the provisions of those Acts as to the acquisition of land by local authorities within the meaning of Part III. of the principal Act shall apply accordingly.
- (2) Any such local authority or county council with the consent of, and subject to any regulations or conditions which may be made or imposed by, the Local Government Board may, for the assistance of such a society—
  - (a) make grants or loans to the society ;
  - (b) subscribe for any share or loan capital of the society ;
  - (c) guarantee or join in guaranteeing the payment of interest on money borrowed by the society or of any share or loan capital issued by the society ;

on such terms and conditions as to rate of interest and repayment or otherwise and on such security as the local authority or council think fit, and, notwithstanding the provisions of section four of the Industrial and Provident Societies Act, 1893, where a local authority or county council assist such a society under this subsection, the local

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authority or council shall not be prevented from having or claiming an interest in the shares of the society exceeding two hundred pounds.

- (3) Any expenses incurred by a local authority (other than the London County Council) under the provisions of this section shall be defrayed in the same manner as the expenses of the local authority under Part III. of the principal Act, and the raising of money for the purpose of making grants or loans to or subscribing for the capital of a society under this section shall be a purpose for which the authority may borrow under that Part of that Act.
- (4) Any expenses incurred by a county council under this section shall be defrayed as expenses for general county purposes, and the raising of money for the purpose of making grants or loans to or subscribing for the capital of a society under this section shall be a purpose for which the council may borrow; provided that, where money is borrowed by the county council for that purpose, the maximum period for repayment shall be fifty years, and as respects money so borrowed fifty years shall be substituted for thirty years in subsection (5) of section sixty-nine of the Local Government Act, 1888.

## **19 Power of contributing to costs incurred by public utility societies and housing trusts**

- (1) Where a public utility society or a housing trust as defined by this Act has submitted to the Local Government Board a scheme for the provision of houses for the working classes and the scheme is approved by the Board, then, if the scheme is carried out within such period after the passing of this Act as may be specified by the Board with the consent of the Treasury, the Board may pay or undertake to pay out of moneys provided by Parliament such contributions towards the cost of carrying out the scheme as may be determined to be payable under regulations made by the Board with the approval of the Treasury, subject to such conditions (including conditions as to audit of accounts by district auditors) as may be prescribed by those regulations.
- (2) Such regulations shall provide that the amount of any annual payment to be made under this section shall be equivalent to thirty per centum of the annual loan charges which would have been payable in accordance with the regulations on the total capital expenditure incurred by the public utility society or housing trust for the purposes of the scheme if the amount of that expenditure had been borrowed from the Public Works Loan Commissioners :

Provided that the regulations shall include provision for the reduction of the amount of the annual payment in the event of the Local Government Board being satisfied that the capital expenditure incurred by the public utility society or housing trust has been excessive.

- (3) Every regulation so made shall be laid before both Houses of Parliament as soon as may be after it is made, and, if an address is presented by either House within twenty-one days on which that House has sat next after any such -regulation is laid before it praying that the regulation may be annulled, His Majesty in Council may annul the regulation, but without prejudice to the validity of anything previously done thereunder.

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## **20 Loans to public utility societies**

- (1) The purposes referred to in subsection (1) of section sixty-seven of the principal Act for which the Public Works Loan Commissioners may advance money on loan shall extend to the purchase of houses which may be made suitable as houses for the working classes and to the purchase and development of land by a public utility society.
- (2) Notwithstanding anything contained in the Public Works Loans Act, 1875, or any Act amending that Act, where a loan is made by the Public Works Loan Commissioners under section sixty-seven of the principal Act to a public utility society for the purpose of carrying out a scheme for the provision of houses for the working classes approved by the Local Government Board :—
  - (a) the maximum period for the repayment of the loan shall be fifty instead of forty years ;
  - (b) Money may be lent on the mortgage of an estate for a term of years absolute whereof a period not less than ten years in excess of the period fixed for the repayment of the sums advanced remains unexpired at the date of the loan ;
  - (c) In the case of loans made during such period after the passing of this Act as may be specified by the Board with the consent of the Treasury, the money advanced on the security of a mortgage of any land or dwellings solely shall not exceed seventy-five per cent. of the purchase price of the land and of the cost of its development and of the houses proposed to be mortgaged as certified by the Local Government Board; but advances may be made by instalments in respect of the purchase money of the land to be acquired, and of the cost of its development, and in respect of the building of any house or houses on the land mortgaged as such building progresses, so that the total of the advances do not at any time exceed the amount aforesaid ; and a mortgage may accordingly be made to secure advances so to be made from time to time.

## **21 Loans to private persons**

During a period of two years from the passing of this Act, the money which may be advanced by the Public Works Loan Commissioners to any private person for the purpose of constructing houses for the working classes on the security of a mortgage of any land or dwellings solely may, if the Commissioners think fit and if the houses are constructed in accordance with plans approved by the Local Government Board, exceed the amount specified in subsection (2) of section sixty-seven of the principal Act, but shall not exceed seventy-five per centum of the value of the estate or interest in such land or dwellings proposed to be mortgaged, and advances may be made by instalments from time to time as the building of the houses on the land mortgaged progresses, so that the total of the advances does not at any time exceed the amount last mentioned, and a mortgage may accordingly be made to secure advances so to be made from time to time.

## **22 Loans by local authorities for the improvement of housing accommodation**

- (1) Where the owner of a house or building applies to the local authority, within the meaning of Part III. of the principal Act, of the district in which the house is situated for assistance for the purpose of carrying out works for the reconstruction, enlargement, or improvement thereof, and the local authority are of opinion that after the works are carried out the house or building would be in all respects fit for habitation as a house or as houses for the working classes, and that the circumstances of the district in regard to housing accommodation are such as to make it desirable that the works should be

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carried out, the local authority may lend to the owner the whole or any part of such sum as may be necessary to defray the cost of the works, and any costs, charges, or expenses incidental thereto:

Provided that the loan shall not exceed one half of the estimated value of the property mortgaged, unless some additional or collateral security is given sufficient to secure the excess.

- (2) Before the works are commenced, full particulars of the works and, where required by the local authority, plans and specifications thereof shall be submitted to the local authority for their approval, and before any loan is made the authority shall satisfy themselves that the works in respect of which the loan is to be made have been carried out in a satisfactory and efficient manner.
- (3) The raising of money for the purpose of making a loan under this section shall be a purpose for which the local authority may borrow for the purposes of Part III. of the principal Act.
- (4) For the purpose of this section "owner" means any person whose interest, or any number of persons whose combined interests, constitute either an estate of fee simple in possession or, in the case of copyhold land, a similar estate, or a leasehold interest in possession for a term of years absolute whereof a period of not less than ten years in excess of the period fixed for the repayment of the loan remains unexpired at the date of the loan.

## **23 Provisions as to sale of building materials**

Subject to any conditions prescribed by the Local Government Board with the consent of the Treasury, any bricks or other building materials which have been acquired by a Government Department for the purpose of the erection or improvement of houses for the working classes, may during a period of five years from the passing of this Act be sold to any person who undertakes to use the same forthwith for the purpose of erecting or improving houses for the working classes and to comply with the-said conditions at a price sufficient to cover the cost of replacement at the time of sale of the materials so sold.