



Housing Act 1961

1961 CHAPTER 65

PART I

FINANCIAL ASSISTANCE FOR HOUSING ACCOMMODATION PROVIDED BY LOCAL AUTHORITIES AND OTHER PUBLIC BODIES

Exchequer subsidies for new housing accommodation

4 Other dwellings provided by local authorities

(1) In respect of each approved dwelling provided by a local authority, not being a dwelling to which the last foregoing section applies, the Minister shall pay for each of the sixty years following the completion of the dwelling an annual exchequer subsidy of an amount determined as follows.

(2) The amount shall depend on whether for the relevant financial year—

(a) the amounts carried to the credit of the local authority's Housing Revenue Account,

would be less than—

(b) the amounts debited to that Account,

assuming that there is substituted for the income in that year from rents in respect of houses within the Account and any amount carried to the credit of the Account under sub-paragraph (5) or sub-paragraph (6) of paragraph 1 of the Fifth Schedule to the Housing (Financial Provisions) Act, 1958, a sum equal to twice the gross value of the local authority's houses.

In making the comparison required by this subsection any surplus brought forward from the previous financial year shall be excluded from the amounts carried to the credit of the Account, and any surplus shown in the Account at the end of the financial year shall be excluded from the amounts debited to the Account.

(3) If it appears to the Minister that the amount carried to the credit of the Housing Repairs Account from the Housing Revenue Account in accordance with subsection (1) of section fifty-one of the said Act of 1958 (which requires a local authority to make

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a contribution to the Housing Repairs Account of a minimum amount equal to eight pounds for every dwelling within the Housing Revenue Account) is, to the extent that it exceeds that minimum amount, excessive having regard to the previous practice of the local authority and to any other circumstances, he may, after consulting the local authority, direct that for the purposes of subsection (2) of this section some part of the contribution, so far as it exceeds that minimum amount, shall be left out of account.

- (4) The amount, if any, by which the sum under paragraph (a) of subsection (2) of this section is, on the assumption there made, less than the sum under paragraph (b) of that subsection is hereafter in this section referred to as the amount of the deficit as ascertained under this section and, subject to the next following subsection, the amount of the annual exchequer subsidy in respect of the dwelling—
- (a) if for the relevant financial year there is a deficit as ascertained under this section, shall be twenty-four pounds together with the sum, if any, to be added under Part I of the First Schedule to this Act, and
 - (b) if there is no such deficit, shall be eight pounds.
- (5) If for the relevant financial year there is no such deficit, but the sum under paragraph (a) of subsection (2) of this section does not, on the assumption there made, exceed the sum under paragraph (b) of that subsection by more than the difference between—
- (a) the annual amount of the exchequer subsidies which, if there had been such a deficit for the relevant financial year, would have been payable to the local authority under this section in respect of the dwelling and all other dwellings to which this section applies completed by the local authority in the same financial year (that is to say twenty-four pounds for each dwelling in question), and
 - (b) the annual amount which would be so payable but for this subsection (that is to say eight pounds for each dwelling in question),
- the amount of the annual exchequer subsidy in respect of the dwelling shall be twenty-four pounds, and not eight pounds.
- (6) Part II of the First Schedule to this Act (which defines the relevant financial year and gross value) shall apply for the purposes of this section.
- (7) For the purposes of subsection (2) of this section any rent payable partly for houses within the Account and partly for premises not used for the purposes of a private dwelling shall be apportioned, and the part attributable to the houses shall be taken into account under that subsection.
- (8) In this section and the First Schedule to this Act " house " includes a dwelling; and expressions defined by this section shall have the same meanings when used in the said Schedule.