



Housing Act 1964

1964 CHAPTER 56

PART I

ASSISTANCE FOR HOUSING SOCIETIES PROVIDING HOUSING ACCOMMODATION

1 The Housing Corporation

- (1) There shall be an authority, to be called the Housing Corporation (hereafter in this Part of this Act referred to as "the Corporation") whose general duty it shall be to promote and assist the development of housing societies, to facilitate the proper exercise and performance of the functions of such societies, and to publicise, in the case of societies providing houses for their own members no less than in the case of those providing houses for letting, the aims and principles of such societies; and, for the purpose of performing that general duty, the Corporation shall exercise and perform the functions assigned to them by this Part of this Act.
- (2) Directions of a general character as to the exercise and performance of the functions of the Corporation may be given by the Minister and the Secretary of State acting jointly; and whether or not any such directions have been given as aforesaid, directions of either a general or a particular character may be given—
 - (a) where the directions concern the exercise or performance of those functions in England and Wales only, by the Minister;
 - (b) where the directions concern the exercise or performance of those functions in Scotland only, by the Secretary of State;

and the Corporation shall comply with any directions given under this subsection.

Any directions given under this subsection may be varied or revoked by subsequent directions thereunder given by the same persons or person.

- (3) It is hereby declared that the Corporation are not to be regarded as the servant or agent of the Crown or as enjoying any status, immunity or privilege of the Crown, or as exempt from any tax, duty, rate, levy or other charge whatsoever, whether general or local, and that their property is not to be regarded as property of, or property held on behalf of, the Crown.

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- (4) A transaction between a person and the Corporation shall not be invalid by reason of any non-compliance by the Corporation with any direction given to the Corporation under subsection (2) of this section unless that person had actual notice of the direction; and section 29 of the Town and Country Planning Act 1959 (protection of persons deriving title to land under transactions requiring consent) shall apply in relation to the Corporation as it applies in relation to an authority to whom Part II of that Act applies.
- (5) References to undertakers in section 15 of the Local Government Superannuation Act 1953 (which enables local authorities to admit to their superannuation schemes employees of statutory undertakers) shall extend to the Corporation.
- (6) The provisions of Schedule 1 to this Act shall have effect with respect to the constitution and proceedings of the Corporation and other matters related to the Corporation and its members.
- (7) In this Part of this Act the expression " housing society " means a society—
- (a) which is registered under the Industrial and Provident Societies Act 1893 ; and
 - (b) which does not trade for profit; and
 - (c) which is established for the purpose of, or amongst whose objects or powers are included those of, constructing, improving or managing houses, being—
 - (i) houses to be kept available for letting, or
 - (ii) where the rules of the society restrict membership of the society to persons entitled or prospectively entitled (whether as tenants or otherwise) to occupy a house provided or managed by the society, houses for occupation by members of the society,
 whether or not the purposes or objects of the society include any of the supplementary purposes or objects mentioned in subsection (8) of this section, so however that the expression shall not include a society which, in addition to the purposes or objects mentioned in paragraph (c) above, has any purposes or objects not mentioned in the said subsection (8).
- (8) The supplementary purposes or objects referred to in the last foregoing subsection are those—
- (a) of providing land or buildings for purposes connected with the requirements of the persons occupying the houses provided or managed by the society,
 - (b) of encouraging the formation of other housing societies, and
 - (c) of giving advice on the formation and running of such societies.
- (9) In the application of this section to Scotland, in subsection (4) for the reference to the Town and Country Planning Act 1959 there shall be substituted a reference to the Town and Country Planning (Scotland) Act 1959.

2 Power of Corporation to make loans to housing societies

- (1) The Corporation shall have power to make loans to a housing society for the purpose of enabling the housing society to meet the whole or any part of any expenditure incurred or to be incurred by the housing society in carrying out its objects.
- (2) Any directions given to the Corporation under section 1(2) of this Act with respect to the terms of any such loan shall require the consent of the Treasury and, subject to any such directions, the terms on which any such loan is made shall be such as the Corporation may determine either generally or in any particular case, and may, in

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particular, include terms for preventing repayment of the loan or any part of it before a specified date without the consent of the Corporation.

- (3) The Corporation may, with the consent in writing of the Minister, give to any housing society (whether in connection with a scheme under section 5 of this Act or otherwise) directions with respect to the disposal of any land belonging to the society in which the Corporation have an interest as mortgagee under a mortgage entered into by the society; and where directions under this subsection are given with respect to any land belonging to a housing society, it shall be the duty of the society to comply with the directions so long as the Corporation continue to have such an interest in that land.

Any directions given under this subsection with the consent aforesaid may be varied or revoked by subsequent directions thereunder given with the like consent.

- (4) Where, in the case of a housing society the rules of which restrict membership of the society to persons entitled or prospectively entitled (whether as tenants or otherwise) to occupy a house provided or managed by the society, the Corporation propose to give directions to the society under subsection (3) of this section requiring it to transfer its interest in any land to the Corporation or any other person, the Minister shall not consent to the giving of the directions unless he is satisfied that arrangements have been made which, if the directions are given, will secure that the members of the society receive fair treatment in connection with the transfer.
- (5) The reference in subsection (1) of this section to expenditure incurred or to be incurred by a housing society in carrying out its objects includes a reference to expenditure incurred or to be incurred by it in acquiring land on which to construct houses or in acquiring houses to be managed by the society, whether after improvement by the society or in the condition in which they are acquired.
- (6) In the application of this section to Scotland, for the references to the Minister there shall be substituted references to the Secretary of State.

3 Provision of land for housing societies

- (1) The Corporation shall have power to sell, or, with the consent in writing of the Minister, to lease, to a housing society any land which the housing society requires for carrying out its objects and, if the Corporation sell the land, the purchase-money may, under the last foregoing section, be left outstanding as a loan to the housing society.
- (2) The Corporation may acquire land, whether by way of purchase, lease, exchange or gift, for the purpose of selling it or leasing it to housing societies under the foregoing subsection.
- (3) The Corporation may with the consent in writing of the Minister clear any land acquired by them under the last foregoing subsection and carry out any other work on the land to prepare it as a building site or estate, including the laying out and construction of streets or roads and open spaces and the provision of sewerage facilities and supplies of electricity, gas and water.
- (4) The powers conferred by the foregoing provisions of this section may be exercised as respects any land notwithstanding that the land is not immediately required for sale or lease to a housing society, and the Corporation shall, until the land is so sold or leased, have power to repair, maintain and insure any buildings or works for the time being thereon and generally to deal in the proper course of management with the land and any such buildings or works, and to charge for the tenancy or occupation thereof.

- (5) If, after the Corporation have acquired any land, it appears to the Corporation that there is no housing society, whether in existence or about to be formed, to which the land can suitably be sold or leased, and that the land is capable of being used to provide housing accommodation for letting, the Corporation may prepare and submit to the Minister a scheme for the Corporation themselves to undertake all the operations required for the provision of such housing accommodation on the land (including any operations which might have been carried out by a housing society in connection with the provision of the housing accommodation) and for the Corporation to retain the housing accommodation and keep it available for letting so long as the scheme has not been terminated in any manner provided for therein.
- (6) Before submitting to the Minister a scheme under subsection (5) of this section the Corporation shall send a copy of it to the local authority in whose area the land to which the scheme relates is situated.
- (7) Where a scheme under the said subsection (5) is submitted to the Minister by the Corporation, the Minister, on being satisfied of the lack of any housing society to which the land to which the scheme relates can suitably be transferred and that the requirements of the last foregoing subsection have been complied with, and after considering any representations which may be made to him by the local authority in whose area the land is situated, may, if he thinks fit, approve the scheme; and if he does so the Corporation shall have power to carry through the provisions of the scheme.
- (8) Any scheme approved by the Minister under this section may be varied from time to time in accordance with proposals in that behalf made by the Corporation and approved by the Minister.
- (9) The Increase of Rent and Mortgage Interest (Restrictions) Act 1920 shall not apply to a tenancy where the interest of the landlord belongs to the Corporation and (without prejudice to the foregoing provision) a person shall not be entitled to retain possession against the Corporation by virtue of the Rent and Mortgage Interest Restrictions Acts 1920 to 1939.
- (10) In the application of this section to Scotland—
 - (a) for the references to the Minister there shall be substituted references to the Secretary of State;
 - (b) in subsection (2), for the reference to exchange there shall be substituted a reference to excambion.

4 Compulsory purchase by Corporation of land

- (1) Where a housing society desires to acquire any land and has made an application to the local authority in whose area the land is situated, requesting them to acquire the land under Part V of the Act of 1957 for the purpose of selling it or leasing it to the society, then, if the authority have power to acquire the land under the said Part V and the Corporation are satisfied, after consultation with the authority, that the authority are unwilling to acquire the land for that purpose or that the footing on which they are willing to do so involves the sale or leasing of the land to the society subject to conditions which are unacceptable to the society, the Corporation may acquire the land compulsorily.
- (2) The power of the Corporation to acquire the land compulsorily shall be exercisable in any particular case on their being authorised to do so by the Minister, and in relation to the compulsory purchase the Acquisition of Land (Authorisation Procedure) Act 1946

shall apply as if the Corporation were a local authority within the meaning of that Act, as if this Act had been in force immediately before the commencement of that Act, and as if in Part I of Schedule 1 to that Act (procedure for authorising compulsory purchases) references to an owner of any land comprised in the compulsory purchase order included references to the local authority in whose area the land is situated.

- (3) In the application of this section to Scotland—
- (a) in subsection (1), for the reference to the Act of 1957 there shall be substituted a reference to the Act of 1950, and for the words " the Corporation may acquire the land compulsorily " there shall be substituted the words " the Corporation may request the Scottish Special Housing Association to acquire the land compulsorily as provided in section 99(2) of this Act ";
 - (b) subsection (2) shall not apply.

5 Schemes for Corporation to provide housing accommodation in place of housing society

- (1) If, in the case of any housing society, it appears to the Corporation—
- (a) that the society is experiencing difficulty in providing housing accommodation on any land which it has acquired or in managing housing accommodation provided by it on any land, or is in any way failing to perform its functions as a housing society in relation to any land, and that accordingly it is undesirable for the land in question to remain in the hands of the society; and
 - (b) that there is no other housing society, whether in existence or about to be formed, to which the society's interest in the land in question can suitably be transferred ; and
 - (c) that the land is capable of being, or continuing to be, used to provide housing accommodation for letting,

the Corporation may prepare and submit to the Minister a scheme for the Corporation to acquire the society's interest in the land and to undertake all such operations as may be required for the provision or continued provision on the land of housing accommodation for letting (including any operations which might have been carried out by a housing society in connection with the provision of the housing accommodation) and for the Corporation to retain the accommodation and keep it available for letting so long as the scheme has not been terminated in any manner provided for therein.

- (2) Where a scheme under this section is submitted to the Minister by the Corporation, the Minister, on being satisfied of the undesirability of the land remaining in the hands of the society and of the lack of any housing society to which it can suitably be transferred, may, if he thinks fit, approve the scheme, and if he does so the Corporation shall have power to acquire for the purposes of the scheme the society's interest in the land and to carry through the provisions of the scheme.
- (3) Where the Corporation propose to give to a housing society directions under section 2(3) of this Act requiring the society to transfer to the Corporation the society's interest in any land, the Minister shall not consent to the giving of the directions unless he at the same time approves, or has previously approved, a scheme under this section with respect to that land.

- (4) Any scheme approved by the Minister under this section may be varied from time to time in accordance with proposals in that behalf made by the Corporation and approved by the Minister.
- (5) In the application of this section to Scotland, for the references to the Minister there shall be substituted references to the Secretary of State.

6 Disposal of land not required by housing societies

- (1) The Corporation may dispose of any land which is not required for the purposes for which it was acquired, so, however, that if—
 - (a) the land was acquired compulsorily by the Corporation, or by a local authority who transferred the land to the Corporation, or
 - (b) the land is not disposed of for the best consideration it commands,
 the Corporation shall not dispose of the land without the consent in writing of the Minister.
- (2) The consent of the Minister shall not be required under paragraph (b) of the foregoing subsection to the disposal of land to be used as, or in connection with, a highway or a street not being a highway.
- (3) In the application of this section to Scotland—
 - (a) for the references to the Minister there shall be substituted references to the Secretary of State;
 - (b) in subsection (2), the references to a highway shall include references to any public right of way.

7 Power of Corporation to provide advisory service

The Corporation may provide an advisory service for the purpose of advising housing societies, housing associations which are not housing societies, and persons who are forming housing societies or are interested in the possibility of doing so, on legal, architectural and other technical matters, and may make charges for the service.

8 Building society advances to housing societies to which Corporation have made loans

- (1) An advance to which this section applies is one made by a building society to a housing society on the security of any freehold or leasehold estate by means of a mortgage where—
 - (a) immediately before the execution of that mortgage, the Corporation have an interest in the same freehold or leasehold estate under a mortgage entered into by the housing society; and
 - (b) the security represented by the last-mentioned mortgage is, with the agreement of the Corporation, postponed to the building society's security under the first-mentioned mortgage.
- (2) The following advances, that is to say—
 - (a) any advance to which this section applies, and
 - (b) any advance which, in accordance with section 21(7) of the Building Societies Act 1962, a building society is treated as having made by reason of a transfer—

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- (i) from one housing society to another, or
 - (ii) from a housing society to the Corporation, or
 - (iii) from the Corporation to a housing society, of the mortgagor's interest under a mortgage securing an advance made by that building society,
- shall not constitute special advances as defined by section 21 of the Building Societies Act 1962 and shall not be brought into account under section 22(2)(b) of that Act (under which the amount of the special advances which a building society may make depends on the amount lent by it to bodies corporate and to persons borrowing more than five thousand pounds or such higher amount as may be prescribed).
- (3) Subject to this section a building society shall not in any financial year make advances to which this section applies of a total amount which exceeds fifteen per cent. of the total of the advances of all descriptions made by the building society in the last preceding financial year on the security of freehold or leasehold estate; and for the purpose of ascertaining that total the said section 21(7) of the Building Societies Act 1962 shall apply.
 - (4) The Chief Registrar may if he thinks fit grant to a building society permission in writing to make advances to which this section applies in excess of the limit imposed by the last foregoing subsection, but subject to such other limit under that subsection as may be specified in the permission for that purpose; and this section shall have effect accordingly.
 - (5) A building society shall have power to make an advance to which this section applies by means of a mortgage under which the same freehold or leasehold estate constitutes the security both for that advance and for advances made to the same housing society by one or more other persons by means of the same mortgage if, and only if, every other person making an advance by means of that mortgage is another building society and the mortgagees in the mortgage all covenant with each other not to transfer their interests as mortgagees to any person who is not a building society.
 - (6) At any time not more than three years after the coming into force of this Part of this Act the board of directors of a building society may by memorandum in writing alter the rules of the building society so as to enable the building society to make advances to which this section applies by means of mortgages of the kind described in the last foregoing subsection.

The power of altering rules conferred on the directors of a building society by this subsection shall cease to have effect at the expiration of the period of three years beginning with the coming into force of this section, and any alteration of a building society's rules under this subsection shall cease to have effect on the first subsequent occasion (whether before or after the expiration of the said period of three years) on which an alteration of the rules of the building society made under section 17 of the Building Societies Act 1962 takes effect.
 - (7) Where any alteration of the rules of a building society is effected under the last foregoing subsection, the building society shall send notice of the alteration to the Chief Registrar ; and section 123(1) of the Building Societies Act 1962 (regulations as to form of notices) shall apply in relation to any such notice as it applies to notices sent to the Chief Registrar under that Act.
 - (8) If a building society does not comply with the requirements of subsection (3) of this section, the society shall be liable on conviction on indictment or on summary conviction to a fine which, on summary conviction, shall not exceed two hundred

pounds; and every officer of the society who knowingly or wilfully authorises or permits the failure to comply shall be liable—

- (a) on conviction on indictment, to a fine, or to imprisonment for a term not exceeding two years, or to both, or
 - (b) on summary conviction, to a fine not exceeding two hundred pounds, or to imprisonment for a term not exceeding three months, or to both.
- (9) If a building society fails to comply with subsection (7) of this section, the society, and every officer of the society who is in default, shall be liable on summary conviction to a fine not exceeding two hundred pounds.
- (10) In this section " financial year " has the meaning given by section 128 of, and paragraph 11 of Schedule 8 to, the Building Societies Act 1962, but for the purposes of subsection (3) of this section if the year to which that subsection applies is shorter or longer than the last preceding financial year a corresponding reduction or increase shall be made in the figure of fifteen per cent. mentioned in that subsection; and if the year is the first year in which the building society has made any advances on the security of freehold or leasehold estate, no advances to housing societies shall be permitted under that subsection in that year.
- (11) In this section the expressions " building society ", " Chief Registrar " director " and " officer " have the meanings given by section 129 of the Building Societies Act 1962.
- (12) In the application of this section to Scotland—
- (a) for the references to freehold or leasehold estate there shall be substituted references to an estate or interest - in land;
 - (b) any reference to an advance on the security of freehold or leasehold estate, or to an advance by means of a mortgage, or other the like reference, shall be construed as a reference to an advance upon a heritable security.

9 Advances by Minister or Secretary of State to Corporation

- (1) For the purpose of enabling the Corporation to exercise and perform their functions, the Minister and the Secretary of State respectively may, subject to the provisions of this section, make advances to the Corporation, and any such advances shall be repaid at such times and by such methods, and interest thereon shall be paid at such rates and at such times, as the Minister or the Secretary of State, as the case may be, may, with the approval of the Treasury, from time to time direct.
- (2) Advances under this section shall not together exceed fifty million pounds or such greater sum, not exceeding one hundred million pounds, as the Minister and the Secretary of State acting jointly may from time to time by order made by statutory instrument specify; but no such order shall be made unless a draft of the order has been approved by a resolution of the Commons House of Parliament.
- (3) The Treasury may issue to the Minister or to the Secretary of State out of the Consolidated Fund such sums as are necessary to enable him to make advances under subsection (1) of this section.
- (4) For the purpose of providing the whole or part of any sums to be issued under the last foregoing subsection, or of providing for the replacement in whole or in part of any sum so issued, the Treasury may at any time, if they think fit, raise money in any manner in which they are authorised to raise money under the National Loans Act

1939, and any securities created and issued to raise money under this subsection shall be deemed for all purposes to have been created and issued under that Act.

- (5) Any sums received by the Minister or by the Secretary of State by way of repayment of or interest on advances under this section shall be paid into the Exchequer.
- (6) The sums paid into the Exchequer under the last foregoing subsection shall be issued out of the Consolidated Fund at such times as the Treasury may direct and shall be applied by the Treasury as follows, that is to say—
 - (a) so much of those sums as represents principal shall be applied in redeeming or paying off debt of such description as the Treasury think fit; and
 - (b) so much of those sums as represents interest shall be applied towards meeting such part of the annual charges for the national debt as represents interest.

10 Accounts, audit, annual report, etc.

- (1) The Corporation shall keep proper accounts and proper records in relation to the accounts and shall prepare in respect of each financial year annual accounts in such form as the Minister and the Secretary of State acting jointly may, with the approval of the Treasury, direct.
- (2) The accounts of the Corporation for each financial year shall be audited by a qualified accountant appointed for the purpose by the Minister and the Secretary of State acting jointly.
- (3) As soon as the annual accounts of the Corporation for any financial year have been audited, the Corporation shall send to the Minister and to the Secretary of State a copy of the accounts prepared by them for that year in accordance with this section, together with a copy of any report made by the auditor thereon.
- (4) The Minister and the Secretary of State shall each prepare in respect of each financial year, in such form and manner as the Treasury may direct, an account of the sums issued to him out of the Consolidated Fund and advanced to the Corporation under this Act, and of sums received by him from the Corporation and paid into the Exchequer in respect of the principal of and interest on sums so advanced.
- (5) On or before the 30th November in each year, the Minister and the Secretary of State shall each transmit to the Comptroller and Auditor General the accounts prepared by him under the last foregoing subsection in respect of the last foregoing financial year; and the Comptroller and Auditor General shall examine and certify the accounts prepared by the Minister and the Secretary of State respectively and lay before each House of Parliament copies of those accounts together with his report thereon.
- (6) The Corporation shall, as soon as possible after the end of each financial year, make to the Minister and to the Secretary of State a report on the exercise and performance by them of their functions during that year, and shall—
 - (a) include in the report a copy of their audited accounts for that year, and
 - (b) set out in the report any directions given to the Corporation by the Minister and the Secretary of State or either of them during that year ;and the Minister and the Secretary of State shall lay a copy of every such report before each House of Parliament.
- (7) In this section " financial year" means the period of twelve months ending with the 31st March, and "qualified accountant" means a person who is a member, or a firm

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all of the partners wherein are members, of one or more of the following bodies, that is to say—

- (a) the Institute of Chartered Accountants in England and Wales;
- (b) the Institute of Chartered Accountants of Scotland;
- (c) the Association of Certified and Corporate Accountants ;
- (d) the Institute of Chartered Accountants in Ireland;
- (e) any other body of accountants established in the United Kingdom and for the time being recognised for the purposes of section 161(1)(a) of the Companies Act 1948 by the Board of Trade.

11 Scottish Special Housing Association may act as agents for Corporation in Scotland

- (1) The Corporation may, on such terms and conditions as may be agreed between them and the Scottish Special Housing Association, authorise the Association to act in Scotland as the agents of the Corporation for the purpose of carrying out any of the functions vested in the Corporation under section 3, section 5, section 6 or section 7 of this Act.
- (2) Section 18(1) of the Act of 1962 (which confers power on the Secretary of State to make advances to the Scottish Special Housing Association for the provision of housing accommodation) shall have effect as if it conferred power on the Secretary of State to make advances under that subsection to the Association for the purpose of assisting them to act as the agents of the Corporation in pursuance of subsection (1) of this section.

12 Interpretation of Part I

- (1) In this Part of this Act, unless the context otherwise requires—
 - " the Corporation " means the Housing Corporation established under this Part of this Act;
 - " functions " includes powers and duties ;
 - " house " includes any part of a building which is occupied or intended to be occupied as a separate dwelling and, in relation to Scotland, has the meaning given by section 184(1) of the Act of 1950;
 - " housing association " has the meaning given by section 189(1) of the Act of 1957 or, in relation to Scotland, by section 184(1) of the Act of 1950;
 - " housing society " has the meaning given by section 1(7) of this Act;
 - " land " includes any interest in or right over land;
 - " local authority " means the council of a county borough, London borough or county district or the Common Council of the City of London, and in relation to Scotland means a local authority for the purposes of the Act of 1950.
- (2) In the case of land which is situated partly in the area of one local authority and partly in the area of another, references in this Part of this Act to the local authority in whose area the land is situated shall be construed as references to each of those local authorities.