

Housing Act 1964

1964 CHAPTER 56

PART III

ASSISTANCE FOR IMPROVEMENT OF DWELLINGS

Standard grants and Minister's contributions to local authorities for provision of standard amenities

45 Standard grants for provision of amenities below full standard

- (1) An application may be made under section 4 of the Act of 1959 (grants for provision of standard amenities) proposing the carrying out of works which comprise the provision of part only of the standard amenities mentioned in that section notwithstanding that the dwelling is not already provided with all the remainder of those standard amenities if—
 - (a) the application contains a statement that it is not practicable at reasonable expense to provide the dwelling with all the standard amenities, and
 - (b) after the execution of the works the dwelling will be provided with at least the amenities comprised in the reduced standard as defined in section 43(5) of this Act.

and the application gives the facts on which the statement is based; and so much of section 4(3) of the Act of 1959 as requires a statement that the remaining amenities are already provided shall not apply.

(2) The local authority shall not approve the application unless they are satisfied as to the matters mentioned in paragraphs (a) and (b) of the foregoing subsection, and section 5(1) of the Act of 1959 (which requires the authority to approve an application in the circumstances there specified) shall have effect accordingly; and if the local authority are not satisfied as to the matters mentioned in paragraphs (a) and (b) of the foregoing subsection, and the applicant on being notified of their decision so requests, the local authority shall give to the applicant a written statement setting out their reasons for making their decision.

- (3) In considering an application which states that it is not practicable at reasonable expense to provide the dwelling with all the standard amenities, the local authority shall have regard to the estimated cost of the works which would be required to provide the dwelling with all the standard amenities and the value which it is estimated that the dwelling (or the building of which the dwelling forms part) would have if works to provide the dwelling with all the standard amenities were carried out.
- (4) In the application of this section to Scotland, for the references to section 4, section 4(3) and section 5(1) of the Act of 1959 there shall be substituted respectively references to section 19, section 19(3) and section 20(1) of that Act.

46 Amount of standard grant

- (1) The amount of a standard grant shall, subject to this section, be one half of the cost shown to have been incurred in executing the works in respect of which it is made.
- (2) If any of the works are not exclusively for the purpose of providing one or more of the standard amenities, only so much of the cost of carrying out those works as is, in the opinion of the local authority, attributable to the provision of the standard amenity or standard amenities shall be taken into account under the foregoing subsection.
- (3) Subject to this section, there shall be a limit on the amount of a standard grant determined in accordance with the following Table, and the limit shall depend on the number of items in the following Table which will be provided by the works and shall be the total of the amounts specified in column 2 of that Table for those items or £350, whichever is the less.

TABLE

List of amenities	Amount allowed towards limit
A fixed bath or shower in a bathroom or elsewhere.	£25 or, if the bathroom is being provided by the building of a new structure or the conversion of outbuildings attached to the dwelling (or to the building of which the dwelling forms part) and, before the time when the local authority approve the application, they have been satisfied that it is not reasonably practicable to provide the bathroom in any other way, such higher amount as the local authority shall fix at that time as being in their opinion one-half of the part of the cost to be reasonably incurred in executing the works, being the part of the cost attributable to the provision of the fixed bath or shower.
A wash-hand basin	£5
A hot and cold water supply at a fixed bath or shower.	£35

List of amenities

Amount allowed towards limit

A hot and cold water supply at a wash-hand basin.

A hot and cold water supply at a sink.

A water closet

£25

£15

£40 or if the works comprise the installation of a septic tank and, before the time when the local authority approve the application, they have been satisfied that the connection of the water closet with main drainage is not possible or reasonably practicable, such higher amount as the local authority shall fix at that time as being in their opinion one-half of the part of the cost to be reasonably incurred in executing the works, being the part of the cost attributable to the provision of the water closet.

Facilities for storing food

If the works comprise, in connection with all or any of the amenities provided, the bringing of a piped supply of cold water into the dwelling for the first time.

£10

Such amount as the local authority shall fix at the time when they approve the application as being in their opinion one-half of the part of the cost to be reasonably incurred in executing the works, being the part of the cost attributable to the bringing of the piped supply into the dwelling.

- (4) The local authority shall, when they approve the application, inform the applicant of any decision taken by them under the Table fixing a higher amount in respect of the cost attributable to the provision of a fixed bath or shower, or of a water closet, or fixing any amount in respect of the cost of bringing a piped supply of cold water into the dwelling.
- (5) In determining the limit the amount specified for any item in the Table shall not be brought in more than once, and no account shall be taken of any amenity provided by the works if, at the time when the works were begun, the dwelling was provided with an amenity of that kind unless part of the cost incurred in executing the works is attributable to interference with or replacement of that amenity and the local authority are satisfied that it would not have been reasonably practicable to avoid the interference or replacement.
- (6) References in this section to the cost incurred in executing or carrying out works shall include references to the cost of the employment in connection with the works of an architect, engineer, surveyor, land agent or other person in an advisory or supervisory capacity.
- (7) The Minister may by order vary the provisions of subsections (3), (4) and (5) of this section in any respect.

An order under this subsection—

- (a) may contain such transitional or other supplemental provisions as appear to the Minister to be expedient,
- (b) may be varied or revoked by a subsequent order, and
- (c) shall be made by statutory instrument subject to annulment in pursuance of a resolution of either House of Parliament.
- (8) The provisions of this section shall have effect as respects any application made under section 4 of the Act of 1959 after the coming into force of this section, and in substitution for the provisions of section 6 of the Act of 1959.
- (9) In the application of this section to Scotland—
 - (a) in subsection (6), for the words from "the cost of the employment "to the end there shall be substituted the words "fees payable to professional persons employed in connection with those works";
 - (b) in subsection (7), for the references to the Minister there shall be substituted references to the Secretary of State, and
 - (c) in subsection (8), for the references to section 4 and section 6 of the Act of 1959 there shall be substituted respectively references to section 19 and section 21 of that Act.

47 Standard grants for provision of amenities in accordance with Part II of Act

- (1) This section shall apply as respects works to be carried out in compliance with an improvement notice served, or an undertaking accepted, under Part II of this Act.
- (2) The form of an application under section 4 of the Act of 1959 as respects the works shall be such as the local authority may direct, and section 4(4) of the Act of 1959 (under which the applicant must state that he is the occupier or that the occupier has given his consent to the application) shall not apply to the application.
- (3) If the works comprise the provision of a fixed bath or shower in a bathroom which is for the use of the occupants of more than one dwelling in a tenement block, the said section 4 shall apply in relation to the bathroom as if subsection (1) of that section did not require the standard amenities to be for the exclusive use of the occupants of a dwelling.

An order under the said section 4 may amend or repeal any of the provisions of this subsection.

- (4) In the application of this section to Scotland—
 - (a) in subsection (2), for the references to section 4 and section 4(4) of the Act of 1959 there shall be substituted respectively references to section 19 and section 19(4) of that Act;
 - (b) subsection (3) shall not apply.

48 Standard grants excluded for certain houses and other buildings in multiple occupation

(1) Section 4 of the Act of 1959 so far as it relates to applications made by virtue of section 45 of this Act shall not apply to an application made in respect of a dwelling which is or forms part of a house or building in respect of which the local authority are satisfied that they have power to serve a notice under section 15 of the Act of 1961

(which, as extended by section 21 of that Act, relates to the execution of works in houses and buildings in a state not suitable for multiple occupation).

(2) In the application of this section to Scotland, for the reference to section 4 of the Act of 1959 there shall be substituted a reference to section 19 of that Act.

49 Amendment of list of standard amenities

- (1) For section 4(1)(c) of the Act of 1959 (which, as amended by section 30(2) of the Act of 1961, includes in the standard amenities a hot water supply at a bath or shower, a wash-hand basin and a sink) there shall be substituted the following paragraphs—
 - "(c) a hot and cold water supply at a fixed bath or shower which, if reasonably practicable, is to be in a bathroom;
 - (cc) a hot and cold water supply at a wash-hand basin;
 - (ccc) a hot and cold water supply at a sink".

This subsection shall have effect as respects applications made under the said section 4 after the commencement of this Act.

- (2) Subject to this section, the fixed bath or shower mentioned in section 4(1)(a) of the Act of 1959 may, if it is not reasonably practicable for it to be provided in a bathroom, but it is reasonably practicable for it to be provided with a hot and cold water supply, be in a part of the dwelling which is not a bathroom or bedroom.
- (3) This section shall not have effect so as to require a local authority to accept an application under the said section 4 as respects works which include the provision of a fixed bath or shower in a part of a dwelling which is- not a bathroom unless the works are to be carried out in compliance with an improvement notice served, or an undertaking accepted, under Part II of this Act.
- (4) An order under the said section 4 may amend or repeal any of the provisions of this section.
- (5) In the application of this section to Scotland, for the references to section 4, section 4(1)(a) and section 4(1)(c) of the Act of 1959 there shall be substituted respectively references to section 19, section 19(1)(a) and section 19(1)(c) of that Act, and for the reference to section 30(2) of the Act of 1961 there shall be substituted a reference to section 17(1) of the Act of 1962.

50 Minister's contributions to local authorities under s. 13 of Act of 1959

- (1) An application may be made under section 13 of the Act of 1959 (contributions in respect of standard amenities provided by local authorities) proposing the carrying out of works which comprise the provision of part only of the standard amenities notwithstanding that the dwelling is not already provided with all the remainder of those standard amenities if—
 - (a) the application contains a statement that it is not practicable at reasonable expense to provide the dwelling with all the standard amenities, and
 - (b) after the execution of the works the dwelling will be provided with at least the amenities comprised in the reduced standard as defined in section 43(5) of this Act,

- and the application gives the facts on which the statement is based; and so much of section 13(2) of the Act of 1959 as requires the application to state that the dwelling is already provided with the remaining amenities shall not apply.
- (2) The Minister shall not approve the application unless satisfied as to the matters mentioned in paragraphs (a) and (b) of the foregoing subsection, and notwithstanding section 13(3) of the Act of 1959 (which requires the Minister to approve an application in the circumstances there specified) the Minister may approve or refuse the application as he thinks fit.
- (3) In considering an application which states that it is not practicable at reasonable expense to provide the dwelling with all the standard amenities, the Minister shall have regard to the estimated cost of the works which would be required to provide the dwelling with all the standard amenities and the value which it is estimated that the dwelling (or the building of which the dwelling forms part) would have if works to provide the dwelling with all the standard amenities were carried out.
- (4) This section shall not apply to Scotland.

51 Amount of Minister's contributions under s. 13 of Act of 1959

- (1) A contribution under section 13 of the Act of 1959 shall be a sum payable annually for the twenty financial years beginning with the year in which the works in respect of which it is made are completed, equal to three-eighths of the annual loan charges referable to the amount specified in the following provisions of this section.
 - The said amount shall, subject to this section, be the cost shown to have been incurred in executing the works in respect of which the contribution is made.
- (2) If any of the works are not exclusively for the purpose of providing one or more of the standard amenities, only so much of the cost of carrying out those works as is, in the opinion of the Minister, attributable to the provision of the standard amenity or standard amenities shall be taken into account under the foregoing subsection.
- (3) Subject to this section, there shall be a limit on the amount of such a contribution determined in accordance with the following Table, and the limit shall depend on the number of items in the following Table which will be provided by the works and shall be the total of the amounts specified in column 2 of that Table for those items or £700, whichever is the less.

TABLE

List of amenities

Amount allowed towards limit

A fixed bath or shower in a bathroom or elsewhere.

£50 or, if the bathroom is being provided by the building of a new structure or the conversion of outbuildings attached to the dwelling (or to the building of which the dwelling forms part) and the Minister is satisfied that it is not reasonably practicable to provide the bathroom in any other way, such higher amount, not being more than the part of the cost of executing the works which is attributable to the

Amount allowed towards limit List of amenities provision of the fixed bath or shower, as the Minister may determine. A wash-hand basin £10 A hot and cold water supply at a fixed £70 bath or shower. £30 A hot and cold water supply at a washhand basin. A hot and cold water supply at a sink. £50 A water closet £80 or if the works comprise the installation of a septic tank and the Minister is satisfied that the connection of the water closet with main drainage is not possible or reasonably practicable, such higher amount, not being more than the part of the cost of executing the works which is attributable to the provision of the water closet, as the Minister may determine. Facilities for storing food £20 If the works comprise, in connection Such amount, if any, not being more with all or any of the amenities than the part of the cost of executing provided, the bringing of a piped supply the works which is attributable to of cold water into the dwelling for the the bringing of the piped supply into first time. the dwelling, as the Minister may determine.

- (4) In determining the limit the amount specified for any item in the Table shall not be brought in more than once, and no account shall be taken of any amenity provided by the works if, at the time when the works were begun, the dwelling was provided with an amenity of that kind unless part of the cost incurred in executing the works is attributable to interference with or replacement of that amenity and the Minister is satisfied that it would not have been reasonably practicable to avoid the interference or replacement.
- (5) References in this section to the cost incurred in executing or carrying out works shall, where the local authority employ a person who is not one of their officers as an architect, engineer, surveyor, land agent or other person in an advisory or supervisory capacity in connection with the works, include the cost of his employment for that purpose.
- (6) The Minister may by order contained in a statutory instrument vary the provisions of subsections (3) and (4) of this section in any respect and any such statutory instrument shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- (7) The Minister may by order contained in a statutory instrument reduce, as respects applications approved after such date as may be specified in the order, the proportion of the said annual loan charges, but not below one-third.

An order under this subsection—

- (a) shall not be made unless a draft thereof has been approved by a resolution of the Commons House of Parliament;
- (b) shall not specify a date earlier than the date of the laying of the draft; and before laying such a draft the Minister shall consult with such associations of local authorities as appear to him to be concerned and with any local authority with whom consultation appear to him to be desirable.
- (8) An order under this section—
 - (a) may contain such transitional or other supplemental provisions as appear to the Minister to be expedient, and
 - (b) may be varied or revoked by subsequent order.
- (9) Section 29(3) of the Act of 1959 (which defines the annual loan charges referable to any amount) shall apply for the purposes of this section as it applies for the purposes of that Act.
- (10) The provisions of this section shall have effect as respects any application made under section 13 of the Act of 1959 after the coming into force of this section, and in substitution for the provisions of section 14 of the Act of 1959.
- (11) This section shall not apply to Scotland.

52 Standard grants and Minister's contributions for dwellings provided after 1944 in England and Wales

- (1) In section 4(6) and section 13(5) of the Act of 1959 (which restrict standard grants and contributions by the Minister under the said section 13 for dwellings provided after 1944 to cases where the dwelling was provided by a conversion before the end of 1958 of a pre-1945 building) for the words " the end of the year 1958 " there shall be substituted the words " 3rd October 1961 ".
- (2) This section shall not apply to Scotland.

Provision as to improvement grants and standard grants

Duration of leasehold interest of applicant for improvement grant or standard grant in England and Wales

- (1) If an applicant for an improvement grant or a standard grant as respects a single dwelling is, at the time when the application is made, occupying the dwelling and has an interest in the dwelling which constitutes a long tenancy at a low rent—
 - (a) section 31(3) of the Act of 1958 (which as amended by section 10 of the Act of 1959 prevents the making of improvement grants to a leaseholder if his unexpired term is less than fifteen years), and
 - (b) section 5(3) of the Act of 1959 (which contains a corresponding provision for standard grants),

shall apply in relation to that interest as if for the words " fifteen years " there were substituted the words " five years ".

(2) This section shall not apply in relation to applications made before the coming into force of this section.

- (3) In this section "long tenancy and tenancy at a low rent have the meanings given by subsections (4) and (5) of section 2 of the Landlord and Tenant Act 1954.
- (4) This section shall not apply to Scotland.

Conditions attaching to improvement grants and standard grants in England and Wales

- (1) In section 33(1) of the Act of 1958 (which, as extended by section 7 of the Act of 1959, and as amended by section 11(1) of that Act, imposes conditions in connection with the making of improvement grants under Part II of the Act of 1958, and of standard grants, which operate for ten years) for the word " ten " there shall, as respects grants made before or after the coming into force of this section, be substituted the word " three ".
- (2) If under section 32(2) of the Act of 1958 an instalment of an improvement grant is paid before the completion of the works, and the works are not completed within twelve months of the date of payment of the instalment, then that instalment and any further sums paid by the local authority on account of the improvement grant shall, on being demanded by the local authority, forthwith become payable to them by the person to whom the instalment was paid and the instalment and any such payment shall carry interest at the rate prescribed by regulations under section 49 of the Act of 1958 from the date on which it was paid by the local authority until repaid under this subsection.
- (3) Compound interest under section 34 of the Act of 1958 (enforcement of conditions attached to improvement grants and standard grants) shall be payable in respect of the period down to payment of the sum in question to the local authority, but shall not be payable in respect of any liability which has merged in a judgment debt in respect of the period for which it has so merged.

55 Conditions attaching to improvement grants and standard grants in Scotland

- (1) In section 114(1) of the Act of 1950 (which, as extended by section 22 of the Act of 1959, and as amended by section 24(2) of that Act, imposes conditions in connection with the making of improvement grants under Part VII of the Act of 1950, and of standard grants, which operate for ten years) for the word "ten" there shall, as respects grants made before or after the coming into force of this section, be substituted the word "three".
- (2) If under section 112(2) of the Act of 1950 an instalment of an improvement grant is paid before the completion of the works, and the works are not completed within twelve months of the date of payment of the instalment, then that instalment and any further sums paid by the local authority on account of the improvement grant shall, on being demanded by the local authority, forthwith become payable to them by the person to whom the instalment was paid, and the instalment and any such payment shall carry interest at the rate prescribed by regulations under section 122 of the Act of 1950 from the date on which it was paid by the local authority until repaid under this subsection.
- (3) Compound interest under section 114(2) of the Act of 1950 (enforcement of conditions attached to improvement grants) shall be payable in respect of the period down to the payment of the sum in question to the local authority.

Conditions attaching to improvement grants and standard grants in England and Wales: rent limit

- (1) Schedule 4 to the Act of 1958 (paragraph 4 of which includes a rent limit among the conditions to be observed by owners of dwellings in receipt of improvement grants or standard grants) shall, where that Schedule applies in consequence of the making of an improvement grant or standard grant on an application made after the coming into force of this section, have effect as if the following provisions of this section were included in that paragraph.
- (2) The rent payable by the occupier of the dwelling under a tenancy—
 - (a) which is not a controlled tenancy, and
 - (b) which is not a tenancy falling within paragraph (c) or (d) of section 33 of the Housing Repairs and Rents Act 1954 (which exclude from the operations of the Rent Acts certain tenancies where the interest of the landlord belongs to a housing association or a housing trust),

shall not exceed a rent at an annual rate equal to the limit imposed by this section, and so much of the said paragraph 4 as applies the limit imposed by section 20 of the Rent Act 1957 shall not apply to the rent under that tenancy.

- (3) Subject to this section, the limit shall be the 1963 gross value of the dwelling together with—
 - (a) the annual amount, ascertained in accordance with Schedule 2 to the Rent Act 1957, of any rates for the first rental period of the tenancy, being rates borne by the landlord or a superior landlord, and
 - (b) such annual amount as may be agreed in writing between the landlord and the tenant or determined by the county court to be a reasonable charge for any services for the tenant provided by the landlord or a superior landlord during the first rental period of the tenancy, or any furniture which under the terms of the tenancy the tenant is entitled to use during that period.

In this subsection "first rental period" means, in relation to a tenancy subsisting on the date when the conditions take effect, the rental period comprising that date and, in the case of any other tenancy, the first rental period of the tenancy.

- (4) Sections 2, 3, 4, 5 and 19 of the Rent Act 1957 (which enable the rent limit under that Act to be increased and confer jurisdiction on the county court in questions concerning that rent limit) shall apply in relation to the limit under this section and the tenancy as they apply to the rent limit under that Act and a controlled tenancy so, however, that—
 - (a) in sections 3 and 4 of that Act as so applied for references to the basic rental period there shall be substituted references to the first rental period as defined in the last foregoing subsection, and
 - (b) in section 5 of that Act as so applied for the reference to the commencement of that Act there shall be substituted a reference to 13th November 1963.
- (5) In this section "1963 gross value", in relation to a dwelling, means, subject to the provisions of Schedule 2 to this Act, the gross value thereof as shown in the valuation list on 13th November 1963 or, where the dwelling forms part only of a hereditament shown in that list, such proportion of the gross value shown in that list for that hereditament as may be agreed in writing between the landlord and the tenant or determined by the county court.
- (6) The Minister may by regulations under section 49 of the Act of 1958 direct that in such cases as may be prescribed by the regulations (including, if so provided, cases where

conditions under Schedule 4 to that Act took effect before the corning into force of the regulations) this section and Schedule 2 to this Act shall have effect as if for 13th November 1963 there were substituted such later date, being a date after the valuation list which is in force on that date in 1963 ceases to be in force, as may be specified in the regulations, and regulations made in pursuance of this subsection may contain such transitional, consequential and other provisions as appear to the Minister to be expedient, including provisions for modification of the term "1963 gross value" and of references to 1st April 1964 in Schedule 2 to this Act.

- (7) Section 25 of the Rent Act 1957 shall apply for the interpretation of this section.
- (8) Section 12 of the Act of 1959 (under which the local authority may fix a rent limit higher than that prescribed by paragraph 4 of the said Schedule 4 to the Act of 1958) shall apply in relation to the said paragraph 4 as amended by this section, and accordingly—
 - (a) the references in subsections (1), (2) and (5) of the said section 12 to the limit imposed by section 20 of the Rent Act 1957 shall include references to the limit imposed by subsection (2) of this section, and
 - (b) in the said section 12(2) as applied by this section the reference to section 20(3) of the Rent Act 1957 shall be omitted.
- (9) The provisions of this section, so far as providing for a limit higher than the limit imposed by section 20 of the Rent Act 1957, shall be without prejudice to any limit imposed under Schedule 4 to the Rent Act 1957 (transitional provisions on decontrol) or under Schedule 4 to the Act of 1958 as applied in relation to any improvement grant or standard grant made on an application which was made before the coming into force of this section.
- (10) This section shall not apply to Scotland.

Miscellaneous

57 Duty of local authority in England and Wales to offer loans to meet expenses of compulsory improvement under Part II of Act

- (1) Any person who is liable to incur expenditure in complying with an immediate improvement notice or final improvement notice served, or an undertaking accepted, under Part II of this Act, or who is liable to make a payment as directed -by a court under section 27(8) of this Act, may apply to the local authority for a loan.
- (2) Subject to this section, if the local authority are satisfied that the applicant can reasonably be expected to meet obligations assumed by him in pursuance of this section in respect of a loan of the amount of the expenditure or payment to which the application relates, the local authority shall offer to enter into a contract with the applicant for a loan by the local authority to the applicant of that amount, to be secured to the local authority by a mortgage of the applicant's interest in the premises consisting of or comprising the dwelling or dwellings.
- (3) Subject to this section, if the local authority are not so satisfied, but consider that the applicant can reasonably be expected to meet obligations assumed by him in pursuance of this section in respect of a loan of a smaller amount, the local authority may, if they think fit, offer to enter into a contract with the applicant for a loan by the local authority to the applicant of that smaller amount, to be secured as mentioned in the last foregoing subsection.

- (4) Any contract entered into by the local authority under this section shall contain a condition to the effect that, if a standard grant or improvement grant becomes payable under section 4 of the Act of 1959 or section 30 of the Act of 1958 in respect of the expenditure or payment to which the application under this section relates, the local authority shall not be required to lend a sum greater than the amount of the expenditure or payment to which the application relates after deduction of the amount of the standard grant or, as the case may be, the improvement grant.
- (5) The local authority shall not make an offer under the foregoing provisions of this section unless they are satisfied—
 - (a) that the applicant's interest in the said premises amounts to an estate in fee simple absolute in possession or an estate for a term of years absolute which will not expire before the date for final repayment of the loan, and
 - (b) that, according to a valuation made on behalf of the local authority, the amount of the principal of the loan does not exceed the value which it is estimated the mortgaged security will bear after improvement of the dwelling or dwellings to the full or, as the case may be, the reduced standard.
- (6) The rate of interest payable on a loan under this section shall be such as the Minister may direct either generally or in any particular case, and the Minister may, if he thinks fit, give directions, either generally or in any particular case, as to the time within which a loan under this section, or any part of such a loan, is to be repaid.
- (7) Subject to the foregoing provisions of this section, the contract offered by the local authority under this section shall require proof of title and shall contain such other reasonable terms as the local authority may specify in their offer.
- (8) The local authority's offer may in particular include any such terms as are described in section 43(3)(c) of the Act of 1958 (repayment of principal and interest), and provision for the advance being made by instalments from time to time as the works of improvement progress.
- (9) An application under this section must be made in writing within three months of the date when the improvement notice becomes operative or the undertaking is accepted or the payment is to be made as directed by the court, as the case may be, or such longer period as the local authority by permission given in writing may allow.
- (10) References in this section to the dwelling are references to the dwelling to which the improvement notice or undertaking relates, or in respect of which the payment is to be made, and the reference to the improvement of the dwelling to the full standard or the reduced standard shall be construed as if contained in Part II of this Act.
- (11) Where a standard grant or improvement grant is payable partly in respect of expenditure or a payment to which the application under this section relates, and partly in respect of other expenditure or another payment, the reference in subsection (4) of this section to a standard grant or improvement grant shall be taken as a reference to the part of the standard grant or improvement grant which in the opinion of the local authority is attributable to the expenditure or payment to which the application under this section relates.
- (12) This section shall not apply to Scotland.

Duty of local authority in Scotland to offer loans to meet expenses of compulsory improvement under Part II of Act

- (1) Any person who is liable to incur expenditure in complying with an immediate improvement notice or a final improvement notice served, or an undertaking accepted, under Part II of this Act in Scotland, or who is liable to make a payment as directed by the sheriff under section 27(8) of this Act, may apply to the local authority for a loan.
- (2) Subject to this section, if the local authority are satisfied that the applicant can reasonably be expected to meet obligations assumed by him in pursuance of this section in respect of a loan of the amount of the expenditure or payment to which the application relates, the local authority shall offer to make a loan of that amount to the applicant, the loan to be secured to the local authority by a bond and disposition in security of the premises consisting of or comprising the dwelling, or by a bond and assignation in security of a lease of those premises, or by a bond and such other deed of security over the applicant's estate or interest in the said premises as may be agreed between the local authority and the applicant.
- (3) Subject to this section, if the local authority are not so satisfied, but consider that the applicant can reasonably be expected to meet obligations assumed by him in pursuance of this section in respect of a loan of a smaller amount, the local authority may, if they think fit, offer to make a loan of that smaller amount to the applicant, the loan to be secured as mentioned in the last foregoing subsection.
- (4) Any offer made by the local authority under this section shall contain a condition to the effect that, if a standard grant or improvement grant becomes payable under section 19 of the Act of 1959 or section 111 of the Act of 1950 in respect of the expenditure or payment to which the application under this section relates, the local authority shall not be required to lend a sum greater than the amount of the expenditure or payment to which the application relates after deduction of the amount of the standard grant or, as the case may be, of the improvement grant.
- (5) The local authority shall not make an offer under the foregoing provisions of this section unless they are satisfied—
 - (a) that the applicant's estate or interest in the said premises amounts to ownership or a lease for a period which will not expire before the date for final repayment of the loan, and
 - (b) that, according to a valuation made on behalf of the local authority, the amount of the principal of the loan does not exceed the value which it is estimated the subjects comprised in the security will bear after improvement of the dwelling or dwellings to the full or, as the case may be, the reduced standard.
- (6) The rate of interest payable on a loan under this section shall be such as the Secretary of State may direct either generally or in any particular case, and the Secretary of State may, if he thinks fit, give directions, either generally or in any particular case, as to the time within which a loan under this section, or any part of such a loan, is to be repaid.
- (7) Subject to the foregoing provisions of this section, the loan offered by the local authority under this section shall be subject to such reasonable terms as the local authority may specify in their offer.
- (8) The local authority's offer may in particular include any such terms as are described in section 75(3)(c) of the Act of 1950 (repayment of principal and interest) and provision for the advance being made by instalments from time to time as the works of improvement progress.

- (9) An application under this section must be made in writing within three months of the date when the improvement notice becomes operative or the undertaking is accepted or the payment is to be made as directed by the sheriff, as the case may be, or such longer period as the local authority by permission given in writing may allow.
- (10) References in this section to the dwelling are references to the dwelling to which the improvement notice or undertaking relates or in respect of which the payment is to be made, and the reference to the improvement of the dwelling to the full standard or the reduced standard shall be construed as if contained in Part II of this Act.
- (11) Where a standard grant or improvement grant is payable partly in respect of expenditure or a payment to which the application under this section relates, and partly in respect of other expenditure or another payment, the reference in subsection (4) of this section to a standard grant or improvement grant shall be taken as a reference to the part of the standard grant or improvement grant which in the opinion of the local authority is attributable to the expenditure or payment to which the application under this section relates.

59 Compulsory improvement under Part II of Act: right to serve purchase notice

- (1) If the person having control of a dwelling or other premises is served with an immediate improvement notice or a final improvement notice under Part II of this Act, that person or, if any such notice was served on a person as being one who received the rack-rent of the premises as agent or trustee for any other person, that ether person may, by notice in writing served on the local authority at any time within six months from the date on which the improvement notice becomes operative require the local authority to purchase his interest in the premises in accordance with this section.
- (2) On service of a notice under the foregoing subsection the local authority shall be deemed to be authorised to acquire the interest of the said person in the premises compulsorily under the Lands Clauses Acts and to have served a notice to treat in respect of that interest on the date of the service of the notice under the foregoing subsection.
- (3) Paragraphs 2, 3 and 5 of Schedule 2 to the Acquisition of Land (Authorisation Procedure) Act 1946 (which contain provisions modifying the Lands Clauses Acts in relation to compulsory purchases under that Act) shall apply in relation to compulsory purchases under this section.
- (4) Within twenty-one days of receipt of a notice served by any person under subsection (1) of this section the local authority shall notify every other person who is to their knowledge an owner, lessee or mortgagee of the premises, or who is the occupier of the premises.
- (5) In the application of this section to Scotland—
 - (a) in subsection (1), for the reference to a person who received the rack-rent of the premises as agent or trustee for any other person there shall be substituted a reference to a person who received the rent of the premises as trustee, tutor, curator, factor or agent for or of any other person;
 - (b) in subsection (3), for the reference to paragraphs 2, 3 and 5 of Schedule 2 to the Acquisition of Land (Authorisation Procedure) Act 1946 there shall be substituted a reference to paragraphs 2 and 3 of Schedule 2 to the Acquisition of Land (Authorisation Procedure) (Scotland) Act 1947.

Amount of improvement grant for dwellings provided by conversion of houses of three or more stories in England and Wales

- (1) Section 32(1)(b) of the Act of 1958 (which limits the amount of an improvement grant under Part II of that Act for each dwelling provided by the improvement works to four hundred pounds or such other amount as may be prescribed) shall have effect in relation to a dwelling provided by a conversion of a house which consists of three or more storeys as if for the words " four hundred pounds " there were substituted the words " five hundred pounds ".
- (2) The reference in the foregoing subsection to the number of storeys shall, if any of the dwellings provided by the improvement works is a dwelling all or part of which is in the basement, include the basement as one of the number of storeys of the house.
- (3) The Minister's power under the said section 32(1)(b) to vary the amount specified in that paragraph shall be exercisable separately as respects the amount of four hundred pounds mentioned in that section and as respects the amount of five hundred pounds substituted by this section in the cases specified in this section.
- (4) This section shall not have effect as respects applications made to a local authority before the coming into force of this section.

61 Amount of improvement grant in Scotland.,

- (1) Section 112(1)(b) of the Act of 1950 (which limits the amount of an improvement grant under Part VII of that Act for each dwelling provided by the improvement works to four hundred pounds or such other amount as may be prescribed) shall have effect as if for the words " four hundred pounds " there were substituted the words " five hundred pounds ".
- (2) This section shall not have effect as respects applications made to a local authority before the coming into force of this section.

62 Amount of exchequer payments under s. 105 of Act of 1950, etc., in Scotland

- (1) A contribution to a local authority under section 105 of the Act of 1950 (which authorises the Secretary of State to make payments towards the annual loss likely to be incurred by a local authority in carrying out approved proposals for the conversion or improvement of houses) shall, instead of being such a contribution as is mentioned in that section, be a contribution towards—
 - (a) the cost of the works of conversion or improvement required for carrying out the proposals, and
 - (b) any expense incurred by the local authority in acquiring interests in land for the purpose of giving effect to the proposals;

and the following provisions of this section shall have effect with respect to such a contribution.

(2) The contribution shall be a sum equal to three-eighths of the annual loan charges referable to an amount determined in accordance with subsections (3) and (4) of this section, payable annually for the period of twenty financial years beginning with the year in which the carrying out of the proposals was completed or for such period, not exceeding sixty financial years beginning as aforesaid, as may be determined by the Secretary of State.

- (3) The said amount shall be determined by the Secretary of State when approving the proposals and shall, subject to subsection (4) of this section, be the amount appearing to him to be the aggregate of—
 - (a) the cost likely to be incurred by the local authority in carrying out the works, and
 - (b) any expense likely to be incurred by the local authority in acquiring interests in land for the purpose of giving effect to the proposals.
- (4) The amount so determined shall not exceed fourteen hundred pounds, or such other amount as may be specified by order of the Secretary of State, for each dwelling provided or improved by the works, unless the Secretary of State is satisfied in any particular case that in all the circumstances of the case there is good reason for determining a higher amount.
- (5) The Secretary of State may by order reduce, as respects proposals approved after such date as may be specified in the order, the proportion of the said annual loan charges, but not below one-third.
- (6) For the purposes of this section, the annual loan charges referable to any amount shall be the annual sum which, in the opinion of the Secretary of State, would fall to be provided by a local authority for the payment of interest on, and the repayment of, a loan of that amount repayable over the period of twenty years or, in a case where the Secretary of State has determined a longer period under subsection (2) of this section, that longer period.
- (7) Any order made under this section shall be made by statutory instrument, and—
 - (a) a statutory instrument containing an order under sub section (4) of this section shall be subject to annulment in pursuance of a resolution of either House of Parliament; and
 - (b) an order under subsection (5) of this section—
 - (i) shall not be made unless a draft thereof has been approved by a resolution of the Commons House of Parliament;
 - (ii) shall not specify a date earlier than the date of the laying of the draft; and before laying such a draft the Secretary of State shall consult with such associations of local authorities as appear to him to be concerned.
- (8) The foregoing provisions of this section shall apply in relation to—
 - (a) contributions falling to be made by the Secretary of State to a local authority in pursuance of section 121 of the Act of 1950 (assistance towards improvement of housing accommodation by housing associations and development corporations under arrangements made by them with local authorities), and
 - (b) payments falling to be made by the Secretary of State to a housing association in pursuance of section 14 of the Act of 1962 (assistance towards improvement of housing accommodation by housing associations under arrangements made by them with the Secretary of State),
 - as they apply in relation to the contributions mentioned in subsection (1) of this section; and for the purposes of such application this section shall have effect—
 - (i) in relation to contributions under the said section 121, as if for the references to cost or expense incurred or likely to be incurred by a local authority, and to the approval of proposals by the Secretary of State, there were substituted respectively references to cost or expense incurred or likely to be incurred by

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- a housing association or development corporation, and to the approval by the Secretary of State of arrangements made by a local authority with a housing association or development corporation;
- (ii) in relation to payments under the said section 14, as if for the references to a local authority and to the approval of proposals by the Secretary of State there were substituted respectively references to a housing association and to the making of arrangements by the Secretary of State with a housing association; and subject to any other necessary modifications.
- (9) A local authority submitting to the Secretary of State for approval such proposals as are mentioned in the said section 105 or such arrangements as are mentioned in the said section 121, and a housing association wishing to make with the Secretary of State such arrangements as are mentioned in the said section 14, shall furnish to the Secretary of State such estimates and such particulars as he may require for the purposes of this section.
- (10) This section shall not affect the nature or amount of any contributions or payments falling to be made by the Secretary of State in connection with (as the case may be) proposals or arrangements approved, or arrangements made, before the coming into operation of this section.

Exchequer contributions to Commission for the New Towns and development corporations in respect of improvements

- (1) The following enactments (which authorise the Minister to make contributions to local authorities in respect of houses converted or improved by them and dwellings provided by them with the standard amenities), that is—
 - (a) section 9 of the Act of 1958, and section 15 of the Act of 1959, and
 - (b) section 13 of the Act of 1959 and section 47 of this Act,

shall apply as if references in those sections to a local authority included references to—

- (i) the Commission for the New Towns, and
- (ii) any development corporation established under the New Towns Act 1946.
- (2) Section 105 of the Act of 1950 (which authorises the Secretary of State to make contributions to local authorities in respect of houses converted or improved by them) shall apply as if references in that section to a local authority included references to any development corporation established under the New Towns Act 1946.