



Housing Rents and Subsidies (Scotland) Act 1975

1975 CHAPTER 28

Public sector housing

1 New system of rents for public sector housing

- (1) Sections 27 to 31 of the Housing (Financial Provisions) (Scotland) Act 1972 (determination of rents, etc. for public sector housing) shall cease to have effect.
- (2) Subject to the provisions of this section, a local authority may charge such reasonable rents as they may determine for the tenancy or occupation of houses provided by them.
- (3) A local authority shall from time to time review such rents and make such changes either of rents generally or of particular rents as circumstances may require.
- (4) In determining standard rents for houses to which their housing revenue account relates, a local authority shall, subject to section 33 of the 1972 Act (phasing out of supplementary charges), take no account of the personal circumstances of tenants.
- (5) A local authority may make provision for a working balance in their housing revenue account which is no larger than is reasonably necessary having regard to all the circumstances, but save as aforesaid they shall not make provision for a surplus in that account.
- (6) Schedule 4 (housing revenue account) to the 1972 Act shall be amended in accordance with Part I of Schedule 1 to this Act, but subject to the Note at the end of that Part.

2 Limitation on increases in standard rents of individual houses

- (1) Subject to subsection (2) below, a local authority shall not increase the income receivable from the standard rent of any house by more than £39 in any period of 12 months.

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- (2) The restriction on any increase imposed by subsection (1) above shall not apply in respect of the standard rent which is first determined where a lease is granted to a new tenant of the house or where an improvement has been made in the house.
- (3) In subsection (2) above, "improvement" includes structural alteration, extension or addition and the provision of additional fixtures or fittings, but does not include anything done by way of decoration or repair.
- (4) The Secretary of State may, with the concurrence of the Treasury, by order vary the amount specified in subsection (1) above; and any such order shall be made by statutory instrument subject to annulment in pursuance of a resolution of either House of Parliament, and may be varied or revoked by a subsequent order made under this subsection.
- (5) This section shall apply to a development corporation or the Scottish Special Housing Association as it applies to a local authority.

3 Amendments relating to housing subsidies

The enactments relating to housing subsidies specified in Part II of Schedule 1 to this Act shall be amended in accordance with that Part, but subject to the Note at the end of that Part.

4 Transitional provisions relating to housing revenue account

- (1) The obligation under paragraph 1(5) of Schedule 4 to the 1972 Act to repay to the general rate fund the amount carried to the credit of the housing revenue account which is equal to the amount of the deficit shown in the account for any year, shall not apply in respect of such a deficit for the year 1974-75.
- (2) Paragraph 11 of the said Schedule 4, as originally enacted, shall not apply in relation to any surplus shown in the housing revenue account at the end of the year 1974-75, and any such surplus shall be credited to the general rate fund for that year.

5 Agreements for exercise by housing co-operatives of local authority housing functions

- (1) A local authority may make an agreement with a society, company or body of trustees for the time being approved by the Secretary of State for the purposes of this section (in this section called a "housing co-operative")—
 - (a) for the exercise by the co-operative, on such terms as may be provided in the agreement, of any of the local authority's powers relating to land or any interest in land held by them for the purposes of Part VII of the Housing (Scotland) Act 1966, and the performance by the co-operative of any of the local authority's duties relating to such land or interest; or
 - (b) for the exercise by the co-operative, in connection with any such land or interest, of any of the local authority's powers under section 140 or 141 of the said Act of 1966 (powers to provide furniture, board and laundry facilities).
- (2) An agreement to which this section applies may only be made with the approval of the Secretary of State, and the terms of any such agreement shall be approved by him.

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- (3) The Secretary of State's approval to the making and to the terms of such an agreement may be given either generally or to any local authority or description of local authority or in any particular case, and may be given unconditionally or subject to any conditions.
- (4) Without prejudice to any power to let land conferred on a local authority by any enactment, the terms of an agreement to which this section applies may include terms providing for the letting of land to the housing co-operative by the local authority for a period not exceeding 20 years.
- (5) Houses on land included in an agreement to which this section applies shall continue to be included in the local authority's housing revenue account; and neither the fact that the authority have made the agreement nor any letting of land in pursuance of it shall be treated as a ground for the reduction, suspension or discontinuance of any Exchequer contribution or subsidy under section 58 of the Housing (Financial Provisions) (Scotland) Act 1968.
- (6) A housing association which is registered under Part II of the Housing Act 1974 shall not be entitled to a grant under Part III of that Act in respect of land for the time being comprised in an agreement to which this section applies.

6 Surplus funds of new town corporations

After section 38A of the New Towns (Scotland) Act 1968 (as inserted by section 4(2) of the Statutory Corporations (Financial Provisions) Act 1974) there shall be inserted the following section:—

“38B Disposal of surplus funds of development corporations.

- (1) Where it appears to the Secretary of State, after consultation with the Treasury and the development corporation, that a development corporation have a surplus, whether on capital or on revenue account, after making allowance by way of transfer to reserve or otherwise for their future requirements, the development corporation shall, if the Secretary of State after such consultation as aforesaid so directs, pay to the Secretary of State such sum not exceeding the amount of that surplus as may be specified in the direction; and any sum received by the Secretary of State under this section shall, subject to subsection (3) of this section, be paid into the Consolidated Fund.
- (2) The whole or part of any payment made to the Secretary of State by a development corporation under subsection (1) above shall, if the Secretary of State with the approval of the Treasury so determines, be treated as made by way of repayment of such part of the principal of advances under section 37(1) of this Act, and as made in respect of the repayments due at such times, as may be so determined.
- (3) Any sum treated under subsection (2) above as a repayment of a loan shall be paid by the Secretary of State into the National Loans Fund.”