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## SCHEDULES

### SCHEDULE 12

Section 107.

#### AMENDMENTS OF HOUSING ACT 1974 (C.44) PART VII (LOCAL AUTHORITY GRANTS)

##### *Consideration of application for grant*

- 1 In section 57(3) (application not to be entertained unless certain conditions are complied with) for "entertain" substitute "approve".

##### *Withdrawal of application for grant and submission of new one*

- 2 In section 57(6), omit the words " Except in so far as this Act otherwise provides " ; and after that subsection insert—

“(6A) Subsection (6) does not apply if the relevant works have not been begun and either—

- (a) more than 2 years have elapsed since the date on which the previous application was approved ; or
- (b) the application is made with a view to taking advantage of orders under section 59 below.”

##### *Standard amenities*

- 3 After section 58(2) insert—

“(3) An order under subsection (2) above shall be subject to annulment in pursuance of a resolution of the House of Commons.”

##### *"Appropriate percentage"e for determining amount, or maximum amount, of grant*

- 4 For section 59 substitute—

##### **“59 Appropriate percentage.**

- (1) In this Part of this Act "the appropriate percentage " (which is relevant for determining the amount or the maximum amount of grant) shall be a percentage ascertained from orders made by the Secretary of State with the consent of the Treasury and in force when the application for grant is approved.
- (2) Orders under this section shall operate with respect to applications for grant approved after such date as may be specified in the applicable order; but an order shall not be made unless a draft of it has been approved by resolution of the House of Commons, and shall not specify a date earlier than the date of the laying of the draft.”

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*Certificates of future occupation*

5 In section 60, substitute the following for subsections (3) and (4)—

“(3) A "certificate of owner-occupation" is a certificate stating that the applicant for the grant intends that, on or before the first anniversary of the certified date and throughout the period of 4 years beginning on that first anniversary, the dwelling will be the only or main residence of, and will be occupied exclusively by, either—

- (a) the applicant himself and members of his household (if any); or
- (b) a person who is a member of the applicant's family, or a grandparent or grandchild of the applicant or his spouse, and members of that person's household (if any).

(4) But in a case where application for grant is made by the personal representatives of a deceased person or by trustees, it is a certificate stating that the applicants are personal representatives or trustees and intend that, on or before the first anniversary of the certified date and throughout the period of 4 years beginning on that first anniversary, the dwelling will be the only or main residence of, and exclusively occupied by, either—

- (a) a beneficiary and members of his household (if any); or
- (b) a person related to a beneficiary by being a member of his family or a grandparent or grandchild of the beneficiary or his spouse, and members of that person's household (if any);

and "beneficiary" means a person who, under the will or intestacy or, as the case may require, under the terms of the trust, is beneficially entitled to an interest in the dwelling or the proceeds of sale of it.”

6 In section 60(5), add at the end—

“(disregarding any part of that period in which neither of the above paragraphs applies but the dwelling is occupied by a person who is a protected occupier under the Rent (Agriculture) Act 1976).”.

*Improvement grants*

7 After section 62(4) insert—

“(5) Subsections (1) and (2) above do not apply to dwellings in housing action areas.

(6) Those subsections do not apply where the application for an improvement grant is made in respect of a dwelling for a disabled occupant and it appears to the local authority that the works are needed to meet a requirement arising from the particular disability from which the disabled occupant suffers.”

8 Omit section 64(7).

*Intermediate grants*

9 For section 66 substitute—

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**“66 Conditions of approval.**

A local authority shall not approve an application for an intermediate grant unless—

- (a) they are satisfied that on completion of the relevant works the dwellings or, as the case may be each of the dwellings, to which the application relates will be fit for human habitation (to be determined in accordance with section 4 of the Housing Act 1957); or
- (b) it seems reasonable in all the circumstances to do so even though the dwelling or dwellings will not reach that standard on completion of the relevant works.”

10 (1) In section 67(2) omit paragraph (b) and the word " and " immediately preceding it.

(2) For section 67(3) substitute—

“(3) Where the relevant works specified in an application for an intermediate grant include works of repair or replacement which go beyond those needed, in the opinion of the local authority, to put the dwelling into reasonable repair (disregarding the state of internal decorative repair) having regard to its age and character and the locality in which it is situated and the period during which it is likely to be available for use as a dwelling, the local authority may, with the consent of the applicant, treat the application as varied so that the relevant works—

- (a) are confined to works other than works of repair or replacement; or
- (b) include only such works of repair or replacement as (taken with the rest of the relevant works) will, in the opinion of the local authority, put the dwelling into reasonable repair,

and may approve the application as so varied.”

(3) Omit section 67(4).

11 (1) In section 68(3)(a) for " £800 or such other amount as may be prescribed " substitute " the relevant limit ".

(2) In section 68, after subsection (3) insert—

“(3A) The relevant limit for the purposes of subsection (3)(a) above is—

- (a) £2,000 or such other amount as may be prescribed in a case where either—
  - (i) the dwelling will, in the opinion of the local authority, be put on completion of the relevant works into reasonable repair (disregarding the state of internal decorative repair) having regard to its age and character and the locality in which it is situated and the period during which it is likely to be available for use as a dwelling ; or
  - (ii) it appears to the local authority that the applicant could not without undue hardship finance the cost of the works necessary to put the dwelling into reasonable repair;
- (b) in any other case, the amount obtained by multiplying the number of standard amenities to be provided on completion of the relevant works by £200 or such other amount as may be prescribed, but

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subject to a maximum of £800 or such other amount as may be prescribed.

(3B) An order under subsection (3A) above prescribing an amount shall be subject to annulment in pursuance of a resolution of the House of Commons.”.

*Repairs grant*

12 (1) In section 71, for subsection (2) substitute—

“(2) A local authority shall not in any case approve an application for a repairs grant unless—

- (a) they are satisfied that the relevant works are of a substantial and structural character ; or
- (b) the relevant works satisfy requirements prescribed (with the consent of the Treasury).”

(2) In section 71(3), omit paragraph (a) and after that subsection insert—

“(3A) But an application for a repairs grant shall not be approved—

- (a) unless it is in respect of an old dwelling (within any meaning given to that expression by an order made by the Secretary of State); and
- (b) in the case of a dwelling situated elsewhere than in a housing action area where the application is accompanied by a certificate of owner-occupation, unless the rateable value (at the date of the application) is within limits specified by an order so made.

(3B) Orders under subsection (3A)(b) require the consent of the Treasury.”

13 After section 71 insert—

**“71A Mandatory repairs grant.**

In so far as an application for a repairs grant relates to the execution of works required by a notice under section 9 of the Housing Act 1957

- (a) section 60 above shall not apply ; and
- (b) the authority shall not refuse it if it is duly made and the authority are satisfied that the works are necessary for compliance with the notice.”

14 (1) After section 72(3), insert—

“(3A) An order under this section prescribing an amount shall be subject to annulment in pursuance of a resolution of the House of Commons.”

(2) For section 72(4) substitute—

“(4) The amount of a repairs grant—

- (a) so far as the grant is made in pursuance of section 71A above, shall be the appropriate percentage of the eligible expense ; and
- (b) otherwise shall be such as may be fixed by the local authority when they approve the application for the grant, but shall not exceed the appropriate percentage of the eligible expense.

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(4A) With the notification under subsection (1) above the local authority shall send to the applicant a notification of the amount of the grant.”

(3) In section 72(5), for " subsection (4)" substitute " subsection (4A) "

*Special grants for houses in multiple occupation*

15 In section 56(2) of the Act, for paragraph (c) substitute—

“(c) a " special grant " in respect of works required for the improvement of a house in multiple occupation by the provision of (both or either)

- (i) standard amenities,
- (ii) means of escape from fire.”.

16 (1) In section 69, for subsection (2) substitute—

“(2) An application for a special grant must state by how many households and individuals the house concerned is occupied and (as applicable)—

- (a) the standard amenities with which it is already provided ;
- (b) the means of escape from fire which are already available.

(2A) Subject to section 69A, the application shall not be approved unless the local authority are satisfied that on completion of the relevant works the house will attain the relevant standard of repair.

(2B) If, in the opinion of the authority, the relevant works are more extensive than is necessary for the purpose of securing that the house will attain that standard, the authority may (with the consent of the applicant) treat the application as varied so that the relevant works include only such works as seem to the local authority necessary for that purpose ; and they may then approve the application as so varied.

(2C) For the purposes of this section a house shall be taken to attain the relevant standard of repair if it is in reasonable repair (disregarding the state of internal decorative repair) having regard to its age and character and the locality in which it is situated.”.

(2) In section 84, at the end of the definition of " the relevant standard " add “and

- (d) in relation to a special grant, the relevant standard referred to in section 69(2C) above.”

17 After section 69 insert—

**“69A Mandatory special grants.**

(1) In so far as an application for a special grant relates to the provision of standard amenities, the authority shall not refuse it if it is duly made and the authority are satisfied that the relevant works are necessary for compliance with so much of a notice under section 15 of the Housing Act 1961 as relates to standard amenities.

(2) In so far as such an application relates to the provision of means of escape from fire, the authority shall not refuse it if it is duly made and the authority

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are satisfied that the relevant works are necessary for compliance with a notice under Schedule 24 to the Housing Act 1980.”

18 (1) For section 70 substitute—

“**70** (1) Where a local authority approve an application for a special grant they shall determine the amounts of the expenses which they think proper to be incurred respectively for those of the relevant works which—

- (a) consist in providing standard amenities ;
- (b) relate to the provision of means of escape from fire ; and
- (c) consist of works of repair or replacement;

and the authority shall notify the applicant of the amounts so determined by them.

(2) If the applicant satisfies the local authority that the relevant works cannot be, or could not have been, carried out without additional works and that this could not have been reasonably foreseen at the time the application was made, the local authority may determine a higher amount under any of paragraphs (a) to (c) of subsection (1).

(3) The amount of a special grant—

- (a) so far as the grant is made in pursuance of section 69A above, shall be the appropriate percentage of the eligible expense ascertained under section 70A below; and
- (b) otherwise shall be such as may be fixed by the local authority when they approve the application for the grant but shall not exceed the appropriate percentage of the eligible expense ascertained under section 70A below.

(4) With the notification under subsection (1) above, the local authority shall send to the applicant a notification of the amount of the grant.

(5) If, after the amount of a special grant has been notified, the local authority under subsection (2) determine a higher amount under any of the heads of subsection (1), the eligible expense shall be recalculated under section 70A; and if the amount of it is then greater than when the application for grant was approved, the amount of the grant shall be increased, and the applicant notified, accordingly.”.

(2) In section 82(2) for " 70(3) " substitute " 70(2) " .

19 After section 70 insert—

**“70A Eligible expense for purposes of special grant.**

(1) Except in a case or description of case in respect of which the Secretary of State approves a higher eligible expense, the eligible expense for the purposes of a special grant shall be the aggregate of the contributory elements specified in the following subsections.

(2) As regards the provision of standard amenities, the contributory element is so much of the amount determined under section 70(1)(a) as does not exceed the aggregate of the amounts specified in the second column of Part I of Schedule 6 to this Act in relation to each of the standard amenities which are to be provided by the relevant works (so that, where the relevant works

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make provision for more than one standard amenity of the same description, a separate amount shall be aggregated for each of those amenities).

- (3) As regards the provision of means of escape from fire, the contributory element is so much of the amount determined under section 70(1)(b) as does not exceed £6,750 or such other amount as may be prescribed.
- (4) As regards works of repair or replacement, the contributory element is so much of the amount determined under section 70(1)(c) as does not exceed £2,000 or such other amount as may be prescribed.
- (5) An order under this section prescribing an amount shall be subject to annulment in pursuance of a resolution of the House of Commons.”

*Standard of improvement, repair, etc.*

- 20 (1) In section 61(3)(6) for " good repair " substitute " reasonable repair ".
- (2) In section 61 insert after subsection (4)—
- “(4A) A local authority may dispense, to the extent they think fit, with any of the conditions specified in paragraphs (a) to (c) of subsection (3) if they are satisfied that the applicant could not, without undue hardship, finance the cost of the works without the assistance of a grant.”
- (3) In section 71(5) for "good repair" substitute " reasonable repair ".

*Grant conditions*

- 21 In section 73(3)—
- (a) for paragraph (a) substitute—
- “(a) the applicant for the grant and—
- (i) in a case where the application was accompanied by a certificate of owner-occupation with respect to the dwelling, any person who derives title to the dwelling through or under the applicant; or
- (ii) in a case where the application was accompanied by a certificate of availability for letting with respect to the dwelling, any person who derives title to the dwelling through or under the applicant otherwise than by a conveyance for value;”.
- (b) after paragraph (a), insert—
- “(aa) a person who is a member of the applicant's family or a grandparent or grandchild of the applicant or his spouse; and”
- (c) at the end of paragraph (b) insert—
- “and
- (bb) a person related to one who qualifies under paragraph (b) above, by being a member of his family or a grandparent or grandchild of his or of his spouse”.
- 22 At the end of section 73(4) insert—

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“(disregarding any part of that period in which neither of the above paragraphs applies but the dwelling is occupied by a person who is a protected occupier under the Rent (Agriculture) Act 1976)”.

- 23 In section 74(1) after "they shall" insert " (subject to subsection (2A) below) " and after section 74(2) insert—

“(2A) Where, apart from this subsection, a local authority would be required to impose the conditions specified in subsection (2) above with respect to a dwelling in respect of which a certificate of owner-occupation has been given but it appears to the local authority that in the special circumstances of the case it would be reasonable to dispense with the conditions they shall not be required to impose the conditions.”.

- 24 (1) In section 74(3), after paragraph (c) insert “or  
 (d) which is occupied by a person who is a protected occupier or statutory tenant under the Rent (Agriculture) Act 1976.”

- (2) In section 74, after subsection (3), insert—

“(3A) There shall be disregarded for the purposes of subsection (3)(b) above any letting to the applicant for the grant or a member of his family, or a grandparent or grandchild of the applicant or his spouse.”

*Payment of grant by instalments*

- 25 In section 82, for subsection (4) substitute—

“(4) Where grant is paid in instalments, the aggregate of the instalments paid before the completion of the works shall not at any time exceed—

- (a) in the case of intermediate grant, the appropriate percentage of the total cost of the works so far executed;
- (b) in the case of improvement grant, special grant or repairs grant, an amount bearing to that total cost the same proportion as the fixed amount of the grant bears to the eligible expense.”

*Repair and special grants (consequential)*

- 26 (1) In section 57(3) for " section 83 " substitute " sections 69A, 71A and 83 ".  
 (2) At the beginning of section 57(5) insert " Except under section 69A or 71A ".

*Parliamentary control*

- 27 In section 128(4) after "46" insert " 58 " and after "64" insert " 68, 70A, 72 ".

*Tenants' grants (consequential)*

- 28 In section 57(3), after " below" insert " and section 106 of the Housing Act 1980 ".

- 29 In section 60 insert after subsection (1)—

“(1A) This section does not apply to an application made under section 106 of the Housing Act 1980”.

- 30 (1) At the end of section 73(3) insert—



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“and where an application for a grant is accompanied by a certificate under section 106(2) of the Housing Act 1980 this subsection shall apply with the substitution for references to the applicant of references to the person who gave the certificate. (2) In section 73(4) after " certificate of availability for letting " insert " or a certificate under the said section 106(2)”.

31 In section 74(1), after "subsection (3) below" insert " and section 106(4) of the Housing Act 1980. "

32 In section 81(2), after "section 57(3) above" insert " or section 106(1) of the Housing Act 1980 ".