



Housing (Scotland) Act 1987

1987 CHAPTER 26

PART IX

GOVERNMENT GRANTS AND SUBSIDIES

Secretary of State's power to vary Exchequer contributions

202 Power of Secretary of State to reduce, suspend, discontinue or transfer particular Exchequer contributions.

- (1) The Secretary of State may in the circumstances mentioned in subsection (2) reduce the amount of a subsidy to be paid under this Part or suspend or discontinue such payment or part of such payment.
- (2) The circumstances are—
 - (a) where the Secretary of State is satisfied that the local authority has failed to discharge any of their functions;
 - (b) where the subsidy is payable subject to a condition, and the Secretary of State is satisfied that the condition has not been complied with.
- (3) The Secretary of State may, in any of the circumstances mentioned in subsection (5), reduce the amount of any Exchequer contribution being an Exchequer contribution falling to be made under any of the enactments specified in Schedule 14 in respect of a particular subsidised unit, or suspend or discontinue the payment of such Exchequer contributions or part thereof, as he thinks just in those circumstances.
- (4) Where an Exchequer contribution is made to a local authority in respect of a subsidised unit in relation to which an annual grant is payable by the authority to a development corporation or a housing association, then, if the amount of the Exchequer contribution is reduced or the payment of the Exchequer contribution or part of it is suspended or discontinued under this section, the authority may reduce the annual grant to a corresponding or any less extent or suspend the payment thereof, for a corresponding period or discontinue the payment, or of a corresponding part, as the case may be.
- (5) The circumstances referred to in subsection (3) are—

Changes to legislation: Housing (Scotland) Act 1987, Section 202 is up to date with all changes known to be in force on or before 04 August 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (a) that the Exchequer contribution is to be made to a local authority and the Secretary of State is satisfied that the authority have failed to discharge any of their duties under this Act or that they have failed to exercise any power mentioned therein in any case where any such power ought to have been exercised;
 - (b) that the Exchequer contributions fall to be made or the subsidy falls to be paid subject to any conditions and the Secretary of State is satisfied that any of those conditions has not been complied with;
 - (c) that the subsidised unit has been converted, demolished or destroyed;
 - (d) that the subsidised unit is not fit to be used or has ceased to be used for the purpose for which it was intended;
 - (e) that the subsidised unit has been sold or has been leased for a stipulated duration exceeding 12 months;
 - (f) that the subsidised unit has been transferred, whether by sale or otherwise.
- (6) Where the Secretary of State’s power under this section to discontinue the payment of the whole or part of any Exchequer contributions to be made to a recipient authority in respect of a particular subsidised unit becomes exercisable in the circumstances mentioned in paragraph (e) or paragraph (f) of subsection (5) and the subsidised unit has become vested in or has been leased to another recipient authority, then, if the Secretary of State exercised that power he may make to that other authority Exchequer contributions of the like amount as he would otherwise have made to the first-mentioned authority if the conditions subject to which the first-mentioned Exchequer contributions fell to be made had been complied with.
- (7) In this section—
- “recipient authority” means a local authority, a development corporation [^{F1}or a housing association].
 - “the subsidised unit” means the house, hostel or other land in respect of which Exchequer contributions fall to be made, whether they fall to be made in respect of it or its site or in respect of land comprising it or in respect of the cost of any houses, or the acquisition of any land, comprising it.

Textual Amendments

F1 Words substituted by [Housing \(Scotland\) Act 1988 \(c. 43, SIF 61\)](#), ss. 1, 3, [Sch. 2 para. 12](#)

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 21(3)(i)s. 21(3)(ai)(ii) by [2001 asp 10 Sch. 10 para. 13\(3\)\(c\)para. 13\(I\)-\(iii\)](#)
- s. 24(3)(f) and word(s) inserted by [2003 asp 10 s. 5\(1\)](#) (This amendment not applied to legislation.gov.uk. S. 5 omitted (31.12.2012) without ever being in force by virtue of S.S.I. 2012/330, arts. 1, 13)
- s. 31(2C)(c) words substituted by [2004 asp 8 Sch. 4 para. 2](#)
- s. 61(2)(a)(ia) by [2001 asp 10 Sch. 10 para. 13\(6\)\(a\)\(ii\)](#)
- s. 63(1A)-(61C) by [2001 asp 10 s. 46\(2\)](#)
- s. 66(1)(vi)(vii) by [2001 asp 10 Sch. 10 para. 13\(9\)\(b\)](#)
- s. 286(a)(c) by [2001 asp 10 Sch. 10 para. 13\(40\)\(a\)\(b\)](#)