



# Housing (Scotland) Act 1988

## 1988 CHAPTER 43

### PART IV

#### MISCELLANEOUS AND GENERAL

#### **65 “Cost floor” limit on discount on price of house purchased by secure tenant**

(1) In subsection (1) of section 62 of the Housing (Scotland) Act 1987 (purchase price of house being purchased in pursuance of tenant’s right) for the words “subsections (7) and (8)” there shall be substituted the words “subsection (6A)”.

(2) For subsections (7) to (9) of that section there shall be substituted the following subsections—

“(6A) Except where the Secretary of State so determines, the discount for the purpose of subsection (1) shall not reduce the price below the amount which, in accordance with a determination made by him, is to be taken as representing so much of the costs incurred in respect of the house as, in accordance with the determination, is to be treated as—

- (a) incurred in the period commencing with the beginning of the financial year of the landlord which was current 5 years prior to the date of service of the application to purchase the house or such other period as the Secretary of State may by order provide; and
- (b) relevant for the purposes of this subsection,

and, if the price before discount is below that amount, there shall be no discount.

(6B) An order under subsection (6A) shall be made by statutory instrument subject to annulment in pursuance of a resolution of either House of Parliament and may make different provision in relation to different cases or circumstances or different areas.”.

(3) In subsection (10) of that section, for “(9)” there shall be substituted “(6A)”.

(4) Subsections (11) to (13) of that section shall cease to have effect.

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- (5) In section 76 of the Housing (Scotland) Act 1987 (duty of landlords to provide information to secure tenants) in subsection (1), for paragraph (c) there shall be substituted the following paragraph—
- “(c) section 62(6A) may affect any price fixed as regards the house under section 62(1),”.
- (6) The said sections 62 and 76 shall, however, continue to apply as originally enacted in relation to the price of a house in respect of which the offer to sell (within the meaning of section 63 of the Housing (Scotland) Act 1987) was served on the tenant prior to the commencement of this section; but nothing in this subsection restricts the power of the tenant to withdraw his application to purchase or prejudices the effect of such withdrawal.

## **66 Schemes for payments to assist local authority tenants to obtain other accommodation**

- (1) In accordance with a scheme made by a local authority and approved by the Secretary of State under this section, the authority may make grants to or for the benefit of qualifying tenants of the authority with a view to assisting each person to whom or for whose benefit a grant is made to obtain accommodation otherwise than as a tenant of the authority either—
- by acquiring an interest in a house; or
  - by carrying out works to a house to provide additional accommodation; or
  - by both of those means.
- (2) A scheme under this section shall contain such provisions as the local authority considers appropriate together with any which the Secretary of State may require as a condition of his approval and, without prejudice to the generality, a scheme may include provisions specifying, or providing for the determination of—
- the persons who are qualifying tenants for the purposes of the scheme;
  - the interests which qualifying tenants may be assisted to acquire;
  - the works for the carrying out of which grants may be made;
  - the circumstances in which a grant may be made for the benefit of a qualifying tenant;
  - the amount of the grant which may be made in any particular case and the terms on which it may be made;
  - the limits on the total number and amount of grants which may be made; and
  - the period within which the scheme is to apply.
- (3) The Secretary of State may approve a scheme made by a local authority under this section with or without conditions and, where a scheme has been approved, the authority shall take such steps as it considers appropriate to bring the scheme to the attention of persons likely to be able to benefit from it and shall take such other steps (if any) as the Secretary of State may direct in any particular case to secure publicity for the scheme.
- (4) The Secretary of State may revoke an approval of a scheme under this section by a notice given to the local authority concerned; and where such a notice is given, the revocation shall not affect the operation of the scheme in relation to any grants made or agreed before the date of the notice.

- (5) Where a scheme made by a local authority under this section has been approved, a person dealing with the authority shall not be concerned to see or enquire whether the terms of the scheme have been or are being complied with; and any failure to comply with the terms of a scheme shall not invalidate any grant purporting to be made in accordance with the scheme unless the person to whom the grant is made has actual notice of the failure.
- (6) In this section, “local authority” and “house” have respectively the meanings assigned to those expressions by section 338(1) of the Housing (Scotland) Act 1987.

## **67 Abolition and capitalisation of certain subsidies and contributions**

- (1) No subsidy or contribution shall be made under the following provisions of the Housing (Scotland) Act 1987 (the “superseded provisions”)—
- section 200 (slum clearance subsidy);
  - section 254 (contributions towards improvement grants, repairs grants and grants for fire escapes);
  - section 255 (contributions for improvement of amenities);
  - section 296 (contributions towards certain other expenses)
- in respect of any expense or expenditure incurred by a local authority on or after 1st April 1989.
- (2) No claim for subsidy or contribution under any superseded provision in respect of or towards any expense or expenditure incurred by a local authority before 1st April 1989 shall be entertained by the Secretary of State unless—
- it is received by him before 1st October 1989; and
  - any information reasonably required by him in relation to any such claim is received by him within two months after the receipt by him of the claim.
- (3) Where two or more periodic payments of a subsidy or contribution under a superseded provision would, apart from this subsection, fall to be made on or after 1st April 1989, these payments shall be capitalised and made as follows—
- if one or more earlier such payments have been made before that date, the Secretary of State shall, instead of making the remaining payments, pay an amount equal to the appropriate percentage of the relevant capital amount;
  - if no earlier such payment has been made before that date, the Secretary of State shall, instead of making any such payments, pay such amount as appears to him to be equal to the appropriate percentage of the relevant expenditure.
- (4) In subsection (3) above—
- “the appropriate percentage”, in relation to a relevant capital amount, means the percentage specified in or under the superseded provision in relation to the subsidy or contribution to which the capital amount relates and, in relation to a subsidy or contribution, means the percentage specified in or under the superseded provision in relation to that subsidy or contribution;
- “the relevant capital amount”, in relation to a subsidy or contribution, means the sum of—
- such amount as the Secretary of State considers would, on the date of his payment under subsection (3)(a) above, be payable by the local authority were they then to repay a loan, repayable over twenty years, taken out by them from the Public Works Loan Commissioners to meet their expense

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or, as the case may be, expenditure in respect of or towards which the subsidy or contribution was made; and

(b) any other amount which he considers would be then payable on such repayment of that loan;

“relevant expenditure”, in relation to a subsidy or contribution, means the expense or expenditure in respect of which the subsidy or contribution was made.

(5) Payment made under subsection (3) above shall be—

(a) applied in reduction or extinguishment of such debt (whether then payable or not) of the local authority as the Secretary of State thinks fit; or

(b) made to the local authority; or

(c) partly so applied and partly so made.

(6) Payments made to a local authority under subsection (5) above shall be applied by them in the repayment of such debt and in such manner as the Secretary of State directs.

(7) Notwithstanding the repeal by this Act of section 254 of the Housing (Scotland) Act 1987, subsection (4) of that section (obligation upon local authority to pay to Secretary of State sums recovered by them in consequence of breach of conditions of improvement grant or by way of voluntary repayment of such grant) shall continue to have effect in relation to expense incurred under that section by a local authority prior to 1st April 1989, being expense in respect of which contributions were made under that section.

(8) Paragraph 1(b) of Schedule 16 to the Housing (Scotland) Act 1987 (duty of local authority to credit slum clearance subsidy to slum clearance revenue account) shall cease to have effect on 1st April 1989.

## **68 Abolition of local authority’s power to refer Part VII contracts to rent assessment committees**

In section 65(1) of the Rent (Scotland) Act 1984 (which empowers the lessor, the lessee and the local authority to refer a Part VII contract to the rent assessment committee), the words “or the local authority” and in sections 66(1), 68 and 71 (1) of that Act the words “or the local authority” in each place where they occur shall cease to have effect.

## **69 Exclusion of SSHA, development corporations and co-operative housing associations from rent limitation under Part VI of Rent (Scotland) Act 1984**

In section 61(1) of the Rent (Scotland) Act 1984, the definition of “housing association” shall have effect, and shall be deemed always to have had effect, with the addition at the end of the words “except that it does not include—

(a) the Scottish Special Housing Association;

(b) a development corporation (within the meaning of the New Towns (Scotland) Act 1968); or

(c) a co-operative housing association within the meaning of the Housing Associations Act 1985.”.

## **70 Rent officers: additional functions relating to housing benefit etc**

- (1) The Secretary of State may by order require rent officers to carry out such functions as may be specified in the order in connection with housing benefit and rent allowance subsidy.
- (2) An order under this section—
  - (a) shall be made by statutory instrument which, except in the case of the first order to be made, shall be subject to annulment in pursuance of a resolution of either House of Parliament;
  - (b) may make different provision for different cases or classes of case and for different areas; and
  - (c) may contain such transitional, incidental and supplementary provisions as appear to the Secretary of State to be desirable;and the first order under this section shall not be made unless a draft of it has been laid before, and approved by a resolution of, each House of Parliament.
- (3) At the end of section 21(6) of the Social Security Act 1986 (regulations prescribing maximum family credit and maximum housing benefit) there shall be added the words “and regulations prescribing the appropriate maximum housing benefit may provide for benefit to be limited by reference to determinations made by rent officers in exercise of functions conferred under section 70 of the Housing (Scotland) Act 1988”.
- (4) In section 30 of that Act (housing benefits finance) at the end of subsection (2) there shall be added the words “and, in relation to the rent allowance subsidy, the Secretary of State may exercise his discretion as to what is unreasonable for the purpose of paragraph (b) above by reference to determinations made by rent officers in exercise of functions conferred by section 70 of the Housing (Scotland) Act 1988.”.
- (5) In section 51(1)(h) of that Act (regulations may require information etc. needed for determination of a claim) the reference to information or evidence needed for the determination of a claim includes a reference to information or evidence required by a rent officer for the purpose of a function conferred on him under this section.
- (6) In this section “housing benefit” and “rent allowance subsidy” have the same meaning as in Part II of that Act.

## **71 Power of development corporations to dispose of housing land**

After section 18 of the New Towns (Scotland) Act 1968 there shall be inserted the following section—

### **“18AA Power of development corporation to dispose of housing land**

- (1) Notwithstanding the provisions of sections 3 and 18 of this Act, a development corporation may sell their whole interest in any land (within or outside the area of the new town) held for housing purposes.
- (2) A development corporation shall not sell their interest in any land under this section without the consent of the Secretary of State, which may be given—
  - (a) subject to conditions;
  - (b) either generally to all development corporations or to a particular development corporation;
  - (c) in relation either to particular land or to land of a particular description.

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- (3) A development corporation shall not, except with the consent of the Secretary of State, sell their interest in any land under this section otherwise than on the best terms that can be reasonably obtained.”.

**72 Amendments to the Housing (Scotland) Act 1987 and other enactments and repeals**

- (1) The Housing (Scotland) Act 1987 shall have effect subject to the amendments to that Act specified in Schedules 7 and 8 to this Act (being, respectively, amendments connected with the consolidation of enactments effected by that Act and minor amendments) and shall be deemed always to have had effect subject to the amendments specified in the said Schedule 7.
- (2) The enactments specified in Schedule 9 to this Act shall have effect subject to the amendments there specified (being amendments consequential upon the provisions of this Act and other minor amendments).
- (3) The enactments specified in Schedule 10 to this Act are hereby repealed to the extent specified in the third column of that Schedule.

**73 Finance**

There shall be defrayed out of money provided by Parliament—

- (a) any expenses of the Secretary of State incurred under this Act;
- (b) any increase attributable to this Act in the sums so payable under any other enactment.

**74 Short title, commencement and extent**

- (1) This Act may be cited as the Housing (Scotland) Act 1988.
- (2) This Act shall come into force as follows—
- (a) section 69 and section 72 (so far as relating to Schedule 7) and this section and that Schedule, shall come into force on the day this Act is passed;
- (b) sections 36 to 40, 65, 67 and 71; and  
section 72 (so far as relating to Schedule 8 and to the entries in Schedule 10 in respect of sections 62(11) to (13) and 151 of the Housing (Scotland) Act 1987); and  
Schedule 8; and  
in Schedule 10, those entries;
- shall come into force at the end of the period of two months beginning with the day on which this Act is passed;
- (c) section 72 (so far as relating to the entry in Schedule 10 relating to paragraph (1)(b) of Schedule 16 to the Housing (Scotland) Act 1987) and that entry shall come into force on 1st April 1989;
- (d) the remaining provisions shall come into force on such days as the Secretary of State may, by order made by statutory instrument, appoint and different days may be so appointed for different provisions or for different purposes.

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- (3) An order under subsection (2) above may make such transitional provision as appears to the Secretary of State necessary or expedient in connection with the provisions brought into force by the order.
- (4) Subject to subsection (5) below, this Act extends to Scotland only.
- (5) So much of sections 3 and 72 and Schedules 2, 9 and 10 as relates to enactments extending to England and Wales, section 4 and Schedule 3 extend also to England and Wales.