



Housing Act 1988

1988 CHAPTER 50

PART III

HOUSING ACTION TRUST AREAS

Areas and trusts

60 Housing action trust areas

- (1) Subject to section 61 below, the Secretary of State may by order designate an area of land for which, in his opinion, it is expedient that a corporation, to be known as a housing action trust, having the functions specified in this Part of this Act, should be established.
- (2) The area designated by an order under this section may comprise two or more parcels of land which—
 - (a) need not be contiguous; and
 - (b) need not be in the district of the same local housing authority.
- (3) An order under this section shall be made by statutory instrument but no such order shall be made unless a draft of it has been laid before, and approved by a resolution of, each House of Parliament.
- (4) In deciding whether to make an order under this section designating any area of land, the Secretary of State shall have regard to such matters as he thinks fit.
- (5) Without prejudice to the generality of subsection (4) above, among the matters to which the Secretary of State may have regard in deciding whether to include a particular area of land in an order under this section, are—
 - (a) the extent to which the housing accommodation in the area as a whole is occupied by tenants or owner-occupiers and the extent to which it is local authority housing;
 - (b) the physical state and design of the housing accommodation in the area and any need to repair or improve it;

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- (c) the way in which the local authority housing in the area is being managed; and
 - (d) the living conditions of those who live in the area and the social conditions and general environment of the area.
- (6) An area designated by an order under this section shall be known as a housing action trust area and in the following provisions of this Part of this Act—
- (a) such an area is referred to as a “designated area”; and
 - (b) an order under this section is referred to as a “designation order”.

61 Consultation and publicity

- (1) Before making a designation order, the Secretary of State shall consult every local housing authority any part of whose district is to be included in the proposed designated area.
- (2) Where the Secretary of State is considering a proposal to make a designation order, he shall use his best endeavours to secure that notice of the proposal is given to all tenants of houses in the area proposed to be designated who are either secure tenants or tenants of such description as may be prescribed by regulations.
- (3) After having taken the action required by subsection (2) above, the Secretary of State shall either—
 - (a) make arrangements for such independent persons as appear to him to be appropriate to conduct, in such manner as seems best to them, a ballot or poll of the tenants who have been given notice of the proposal as mentioned in that subsection with a view to establishing their opinions about the proposal to make a designation order; or
 - (b) if it seems appropriate to him to do so, arrange for the conduct of a ballot or poll of those tenants in such manner as appears to him best suited to establish their opinions about the proposal.
- (4) If it appears from a ballot or poll conducted as mentioned in subsection (3) above that a majority of the tenants who, on that ballot or poll, express an opinion about the proposal to make the designation order are opposed to it, the Secretary of State shall not make the order proposed.
- (5) The power to make regulations under subsection (2) above shall be exercisable by the Secretary of State by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- (6) Consultation undertaken before the passing of this Act shall constitute as effective compliance with subsection (1) above as if undertaken after that passing.

62 Housing action trusts

- (1) Subject to subsection (2) below, where the Secretary of State makes a designation order, he shall, in that order or by a separate order, either—
 - (a) establish a housing action trust for the designated area; or
 - (b) specify as the housing action trust for the designated area a housing action trust already established for another designated area.

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- (2) Such a separate order as is referred to in subsection (1) above shall be made by statutory instrument but no such order shall be made unless a draft of it has been laid before, and approved by a resolution of, each House of Parliament.
- (3) Subject to subsection (4) below, a housing action trust shall be a body corporate by such name as may be prescribed by the order establishing it.
- (4) Where the Secretary of State makes the provision referred to in subsection (1)(b) above,—
 - (a) the housing action trust specified in the order shall, by virtue of the order, be treated as established for the new designated area (as well as for any designated area for which it is already established); and
 - (b) the order may alter the name of the trust to take account of the addition of the new designated area.
- (5) Schedule 7 to this Act shall have effect with respect to the constitution of housing action trusts and Schedule 8 to this Act shall have effect with respect to their finances.
- (6) It is hereby declared that a housing action trust is not to be regarded as the servant or agent of the Crown or as enjoying any status, immunity or privilege of the Crown and that the trust's property is not to be regarded as the property of, or property held on behalf of, the Crown.
- (7) At the end of section 4 of the Housing Act 1985 (descriptions of authority) there shall be added—
 - “(f) “housing action trust” means a housing action trust established under Part III of the Housing Act 1988”; and at the end of section 14 of the Rent Act 1977 (landlord's interest belonging to local authority etc.) there shall be added—
 - “(h) a housing action trust established under Part III of the Housing Act 1988”.

63 Objects and general powers of housing action trusts

- (1) The primary objects of a housing action trust in relation to the designated area for which it is established shall be—
 - (a) to secure the repair or improvement of housing accommodation for the time being held by the trust;
 - (b) to secure the proper and effective management and use of that housing accommodation;
 - (c) to encourage diversity in the interests by virtue of which housing accommodation in the area is occupied and, in the case of accommodation which is occupied under tenancies, diversity in the identity of the landlords; and
 - (d) generally to secure or facilitate the improvement of living conditions in the area and the social conditions and general environment of the area.
- (2) Without prejudice to subsection (1) above, a housing action trust may—
 - (a) provide and maintain housing accommodation; and
 - (b) facilitate the provision of shops, advice centres and other facilities for the benefit of the community or communities who live in the designated area.

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- (3) For the purpose of achieving its objects and exercising the powers conferred on it by subsection (2) above, a housing action trust may—
- (a) acquire, hold, manage, reclaim and dispose of land and other property;
 - (b) carry out building and other operations;
 - (c) seek to ensure the provision of water, electricity, gas, sewerage and other services; and
 - (d) carry on any business or undertaking;
- and may generally do anything necessary or expedient for the purposes of those objects and powers or for purposes incidental thereto.
- (4) For the avoidance of doubt it is hereby declared that subsection (3) above relates only to the capacity of a housing action trust as a statutory corporation; and nothing in this section authorises such a trust to disregard any enactment or rule of law.
- (5) Section 71 of the Race Relations Act 1976 (local authorities: general statutory duty) shall apply to a housing action trust as it applies to a local authority.
- (6) A transaction between any person and a housing action trust shall not be invalidated by reason of any failure by the trust to observe the objects in subsection (1) above or the requirement that the trust shall exercise the powers conferred by subsections (2) and (3) above for the purpose referred to in that subsection.

64 The housing action trust's proposals for its area

- (1) As soon as practicable after a housing action trust has been established for a designated area, the trust shall prepare a statement of its proposals with regard to the exercise of its functions in the area.
- (2) The trust shall consult every local housing authority or county council, any part of whose area lies within the designated area, with regard to the proposals contained in the statement prepared under subsection (1) above.
- (3) A housing action trust shall take such steps as it considers appropriate to secure—
- (a) that adequate publicity is given in the designated area to the proposals contained in the statement prepared under subsection (1) above;
 - (b) that those who live in the designated area are made aware that they have an opportunity to make, within such time as the trust may specify, representations to the trust with respect to those proposals; and
 - (c) that those who live in the designated area are given an adequate opportunity of making such representations;
- and the trust shall consider any such representations as may be made within the time specified.
- (4) As soon as may be after a housing action trust has complied with the requirements of subsections (1) to (3) above it shall send to the Secretary of State a copy of the statement prepared under subsection (1) above together with a report of—
- (a) the steps the trust has taken to consult as mentioned in subsection (2) above and to secure the matters referred to in subsection (3) above; and
 - (b) the consideration it has given to points raised in the course of consultation and to representations received.

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- (5) At such times as a housing action trust considers appropriate or as it may be directed by the Secretary of State, the trust shall prepare a further statement of its proposals with regard to the exercise of its functions in its area; and subsections (2) to (4) above shall again apply as they applied in relation to the first statement.