



Housing Act 1996

1996 CHAPTER 52

PART I

[^{F1}SOCIAL RENTED SECTOR [^{F1}REGULATED BY THE WELSH MINISTERS]]

CHAPTER I

REGISTERED SOCIAL LANDLORDS

Registration

2 Eligibility for registration.

- (1) [^{F1}A Welsh body] is eligible for registration as a social landlord if it is—
 - (a) a registered charity which is a housing association,
 - (b) [^{F2}a registered society] which satisfies the conditions in subsection (2), or
 - (c) [^{F3}a company] which satisfies those conditions.
- (2) The conditions are that the body is [^{F4}principally concerned with Welsh housing, is] non-profit-making and is established for the purpose of, or has among its objects or powers, the provision, construction, improvement or management of—
 - (a) houses to be kept available for letting,
 - (b) houses for occupation by members of the body, where the rules of the body restrict membership to persons entitled or prospectively entitled (as tenants or otherwise) to occupy a house provided or managed by the body, or
 - (c) hostels,and that any additional purposes or objects are among those specified in subsection (4).

[^{F5}(2A) A body is principally concerned with Welsh housing if the Welsh Ministers think—

- (a) that it owns housing only or mainly in Wales, or
- (b) that its activities are principally undertaken in respect of Wales;

Status: Point in time view as at 01/08/2014.

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and once a body has been registered in reliance on paragraph (a) or (b) it does not cease to be eligible for registration by virtue only of ceasing to satisfy that paragraph.]

- (3) For the purposes of this section a body is non-profit-making if—
- (a) it does not trade for profit, or
 - (b) its constitution or rules prohibit the issue of capital with interest or dividend exceeding the rate prescribed by the Treasury for the purposes of section 1(1)(b) of the ^{M1}Housing Associations Act 1985.
- (4) The permissible additional purposes or objects are—
- (a) providing land, amenities or services, or providing, constructing, repairing or improving buildings, for its residents, either exclusively or together with other persons;
 - (b) acquiring, or repairing and improving, or creating by the conversion of houses or other property, houses to be disposed of on sale, on lease or on shared ownership terms;
 - (c) constructing houses to be disposed of on shared ownership terms;
 - (d) managing houses held on leases or other lettings (not being houses within subsection (2)(a) or (b)) or blocks of flats;
 - (e) providing services of any description for owners or occupiers of houses in arranging or carrying out works of maintenance, repair or improvement, or encouraging or facilitating the carrying out of such works;
 - (f) encouraging and giving advice on the forming of housing associations or providing services for, and giving advice on the running of, such associations and other voluntary organisations concerned with housing, or matters connected with housing.
- (5) A body is not ineligible for registration as a social landlord by reason only that its powers include power—
- (a) to acquire commercial premises or businesses as an incidental part of a project or series of projects undertaken for purposes or objects falling within subsection (2) or (4);
 - (b) to repair, improve or convert commercial premises acquired as mentioned in paragraph (a) or to carry on for a limited period any business so acquired;
 - (c) to repair or improve houses, or buildings in which houses are situated, after a disposal of the houses by the body by way of sale or lease or on shared ownership terms.
- (6) In this section—
- “block of flats” means a building containing two or more flats which are held on leases or other lettings and which are occupied or intended to be occupied wholly or mainly for residential purposes;
- “disposed of on shared ownership terms” means disposed of on a lease—
- (a) granted on a payment of a premium calculated by reference to a percentage of the value of the house or of the cost of providing it, or
 - (b) under which the tenant (or his personal representatives) will or may be entitled to a sum calculated by reference directly or indirectly to the value of the house;
- “letting” includes the grant of a licence to occupy;
- “residents”, in relation to a body, means persons occupying a house or hostel provided or managed by the body; and

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“voluntary organisation” means an organisation whose activities are not carried on for profit.

- (7) The [^{F6}Welsh Ministers] may by order specify permissible purposes, objects or powers additional to those specified in subsections (4) and (5).

The order may (without prejudice to the inclusion of other incidental or supplementary provisions) contain such provision as the [^{F6}Welsh Ministers] thinks fit with respect to the priority of mortgages entered into in pursuance of any additional purposes, objects or powers.

- (8) An order under subsection (7) shall be made by statutory instrument which shall be subject to annulment in pursuance of a resolution of [^{F7}the National Assembly for Wales] .

Textual Amendments

- F1** Words in s. 2(1) substituted (1.4.2010) by [Housing and Regeneration Act 2008 \(c. 17\)](#), **ss. 61(5)(a)**, 325(1); [S.I. 2010/862](#), **art. 2** (with [Sch.](#))
- F2** Words in s. 2(1)(b) substituted (1.8.2014) by [Co-operative and Community Benefit Societies Act 2014 \(c. 14\)](#), s. 154, **Sch. 4 para. 58** (with [Sch. 5](#))
- F3** Words in s. 2(1)(c) substituted (1.10.2009) by [The Companies Act 2006 \(Consequential Amendments, Transitional Provisions and Savings\) Order 2009 \(S.I. 2009/1941\)](#), **art. 1(2)**, **Sch. 1 para. 161(2)(a)** (with [art. 10](#))
- F4** Words in s. 2(2) inserted (1.4.2010) by [Housing and Regeneration Act 2008 \(c. 17\)](#), **ss. 61(5)(b)**, 325(1); [S.I. 2010/862](#), **art. 2** (with [Sch.](#))
- F5** S. 2(2A) inserted (1.4.2010) by [Housing and Regeneration Act 2008 \(c. 17\)](#), **ss. 61(5)(c)**, 325(1); [S.I. 2010/862](#), **art. 2** (with [Sch.](#))
- F6** Words in s. 2(7) substituted (1.4.2010) by [Housing and Regeneration Act 2008 \(c. 17\)](#), **ss. 61(5)(d)**, 325(1); [S.I. 2010/862](#), **art. 2** (with [Sch.](#))
- F7** Words in s. 2(8) substituted (1.4.2010) by [Housing and Regeneration Act 2008 \(c. 17\)](#), **ss. 61(5)(e)**, 325(1); [S.I. 2010/862](#), **art. 2** (with [Sch.](#))

Modifications etc. (not altering text)

- C1** Pt. 1: The system of "registered social landlords" under this Part is replaced (8.9.2008 for specified purposes and 1.12.2008, 16.2.2009, 1.4.2009, 7.9.2009 and 1.4.2010 for further purposes) by [Housing and Regeneration Act 2008 \(c. 17\)](#), Pt. 2. This Part continues to apply in relation to Wales with certain provisions applied in relation to England and certain provisions preserved although they apply to England only, see s. 60 of the affecting Act; [S.I. 2008/2358](#), **art. 3**; [S.I. 2008/3068](#), **art. 3** (with arts. 6-13); [S.I. 2009/363](#), **art. 2**; [S.I. 2009/803](#), **art. 7**; [S.I. 2009/2096](#), **art. 2(1)**; [S.I. 2010/862](#), **art. 2** (with [Sch.](#))
- C2** S. 2(4) extended (19.4.1999) by 1999/985, **art.2**
S. 2(4) extended (1.7.1999) by [S.I. 1999/1206](#), **art. 2(1)**

Commencement Information

- I1** S. 2 wholly in force 1.10.1996; s. 2 not in force at Royal Assent see s. 232(1)-(3); s. 2(7)(8) in force at 1.8.1996 by 1996/2048, **art. 2(1)** and s. 2 in force at 1.10.1996 to the extent not already in force by [S.I. 1996/2402](#), **art. 3** (subject to the transitional provisions and savings in the [Sch.](#) to that [S.I.](#))

Marginal Citations

- M1** 1985 c. 69.

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