

1969 No. 1626

**HOUSING, ENGLAND AND WALES
HOUSING, SCOTLAND****The Assistance for House Purchase and Improvement (Increase
of Subsidy) Order 1969***Laid before the House of Commons in draft**Made - - - 19th November 1969**Coming into Operation 1st December 1969*

The Minister of Housing and Local Government, the Secretary of State for Wales and the Secretary of State for Scotland, acting jointly in exercise of their powers under subsections (3) and (4) of section 28 of the Housing Subsidies Act 1967(a) (added to that section by section 78 of the Housing Act 1969(b)) and of all other powers enabling them in that behalf, with the approval of the Treasury, hereby make the following order in the terms of a draft approved by resolution of the Commons House of Parliament :—

1. This order may be cited as the Assistance for House Purchase and Improvement (Increase of Subsidy) Order 1969 and shall come into operation on 1st December 1969.

2.—(1) In this order “the Act” means the Housing Subsidies Act 1967.

(2) The Interpretation Act 1889(c) shall apply for the interpretation of this order as it applies for the interpretation of an Act of Parliament.

3. This order does not apply to any contract requiring repayment of a loan subsidised under Part II of the Act at any time when the rate of interest applicable thereunder does not exceed seven per cent. per annum.

4. Where the rate of interest applicable for the time being under a contract requiring repayment of a loan subsidised under Part II of the Act falls within one of the limits set out in column (1) of the Schedule to this order, then with respect to interest payable for any period beginning on or after 1st January 1970, the calculation required by subsection (1)(b) of section 28 of the Act shall be made as if—

(a) 1967 c. 29.

(b) 1969 c. 33.

(c) 1889 c. 63.

- (a) in the case of a loan where by virtue of the said subsection (1)(b) the rate is two per cent., there were substituted the higher percentage specified in column (2) of the said Schedule opposite that limit : and
- (b) in the case of a loan where by virtue of subsection (2) of the said section 28 the rate is one and three-quarters per cent., there were substituted the higher percentage specified in column (3) of the said Schedule opposite that limit.

SCHEDULE

(1) Rate of Interest	(2) Higher percentage	(3) Higher percentage
Exceeding 7 per cent. per annum but not exceeding $7\frac{1}{4}$ per cent. per annum.	$2\frac{1}{2}$ per cent.	2 per cent.
Exceeding $7\frac{1}{4}$ per cent. per annum but not exceeding $8\frac{1}{2}$ per cent. per annum.	$2\frac{1}{2}$ per cent.	$2\frac{1}{2}$ per cent.
Exceeding $8\frac{1}{2}$ per cent. per annum but not exceeding $9\frac{1}{4}$ per cent. per annum.	$2\frac{3}{4}$ per cent.	$2\frac{1}{2}$ per cent.
Exceeding $9\frac{1}{4}$ per cent. per annum.	3 per cent.	$2\frac{3}{4}$ per cent.

Given under the official seal of the Minister of Housing and Local Government on 19th November 1969.

(L.S.)

Anthony Greenwood,
Minister of Housing and Local Government.

Given under my hand on 19th November 1969.

George Thomas,
Secretary of State for Wales.

Given under the Seal of the Secretary of State for Scotland on 19th November 1969.

(L.S.)

William Ross,
Secretary of State for Scotland.

We approve,

Neil McBride,
Walter Harrison,
Two of the Lords Commissioners of
Her Majesty's Treasury.

19th November 1969.

EXPLANATORY NOTE

(This Note is not part of the Order.)

By this order the three Ministers specify two scales of percentages higher than and to replace, in most cases, the two per cent. and the one and three-quarters per cent. mentioned respectively in section 28(1) and (2) of the Housing Subsidies Act 1967 (aggregate amount of subsidy for option mortgages). Subsidy is thus increased for option mortgages where the rate of interest applicable for the time being under the contract requiring repayment of the loan (the "repayment contract") exceeds seven per cent. per annum. The order does not apply to option mortgages where the rate of interest applicable for the time being under the repayment contract does not exceed seven per cent. per annum. The scale of higher percentages in column (2) of the Schedule to the order applies where the periodical payments consist partly of repayment of capital and partly of interest on the loan. The scale of higher percentages in column (3) of the Schedule applies to periodical payments of interest on capital where, under the repayment contract, no repayment of capital is required to be made by those periodical payments. Each scale varies according to the rate of interest applicable for the time being under the repayment contract. The increase of subsidy will be paid with respect to interest payable for a period beginning on or after 1st January 1970.