
EXPLANATORY NOTE

(This note is not part of the Order)

Under Part XVI of the Housing Act 1985 (“the Act”) an owner of a defective dwelling (one in a class designated by the Secretary of State or a local housing authority) can, if the appropriate conditions are fulfilled, require the local housing authority either to give him a grant towards the reinstatement of the dwelling or to repurchase it from him at 95 per cent. of a “defect-free” value. The amount of reinstatement grant is the smaller of the following two amounts:—

- (a) 90 per cent. (or in the case of financial hardship, 100 per cent.) of the estimated or the actual expenditure incurred, or
- (b) the expenditure limit specified in the Order.

This Order, which extends to England and Wales, specifies, in accordance with section 543 of the Act, expenditure limits (ranging from £14,000 to £31,000) for various categories of defective dwelling. Category H, which is a residual category having a limit of £14,000, applies to all defective dwellings designated by local housing authorities, and to any further defective dwellings to be designated by the Secretary of State.

This Order revokes the Housing Defects (Expenditure Limits) Order 1986, which specified limits ranging from £14,000 to £24,000.

Information about designations made by local housing authorities may be obtained from the authority concerned. The Housing Defects (Smith (BSC) Prefabricated Dwellings) (England and Wales) Designation 1986 may be obtained from the Department of the Environment. The Housing Defects (Prefabricated Concrete Dwellings) (England and Wales) Designations 1984 (ISBN 0 11 751769 0), which contains as Annexes all the other designations mentioned in the Schedule to this order, may be obtained from Her Majesty’s Stationery Office.