



# Housing (Wales) Act 2014

2014 anaw 7

## PART 5

### HOUSING FINANCE

#### *Housing Revenue Account subsidy*

#### **131 Abolition of Housing Revenue Account subsidy**

- (1) This section provides for the abolition of the subsidy payable in relation to the Housing Revenue Accounts of local housing authorities under the Local Government and Housing Act 1989.
- (2) That Act is amended as follows.
- (3) In Part 6 (Housing Finance)—
  - (a) omit section 79 (Housing Revenue Account subsidy);
  - (b) omit section 80 (calculation of Housing Revenue Account subsidy);
  - (c) omit section 80ZA (negative amounts of subsidy payable to appropriate person);
  - (d) omit section 80A (final decision on amount of Housing Revenue Account subsidy);
  - (e) omit section 80B (agreements to exclude certain authorities or property);
  - (f) omit section 85 (power to obtain information);
  - (g) omit section 86 (recoupment of subsidy in certain cases).
- (4) In Schedule 4 (the keeping of the Housing Revenue Account)—
  - (a) in Part 1 (credits to the Account), omit Item 3 (Housing Revenue Account subsidy);
  - (b) in Part 2 (debits to the Account), omit Item 5 (sums payable under section 80ZA);
  - (c) in Part 3 (special cases), omit paragraph 2 (credit balance where no HRA subsidy payable) and the heading immediately before it.

*Payments in relation to Housing Revenue Accounts*

**132 Settlement payments**

- (1) The Welsh Ministers may make a determination providing for the calculation of the amount of a payment in relation to each local housing authority that keeps a Housing Revenue Account.
- (2) A payment of the type mentioned in subsection (1) is referred to in this Part as a “settlement payment”.
- (3) A determination under this section may provide for all or part of the amount to be calculated in accordance with a formula or formulae.
- (4) In determining a formula for this purpose, the Welsh Ministers may include variables framed by reference to such matters as they consider appropriate.
- (5) A determination under this section may provide that the effect of the calculation in relation to a local housing authority is that—
  - (a) a settlement payment must be made by the Welsh Ministers to the local housing authority,
  - (b) a settlement payment must be made by the local housing authority to the Welsh Ministers, or
  - (c) the amount of a settlement payment in relation to that authority is nil.
- (6) Subsections (3), (4) and (5) do not limit the generality of the power conferred by subsection (1).

**133 Further payments**

- (1) If a settlement payment has been made in respect of a local housing authority, the Welsh Ministers may from time to time make a determination that a further payment calculated in accordance with the determination must be made—
  - (a) by the Welsh Ministers to the local housing authority, or
  - (b) by the local housing authority to the Welsh Ministers.
- (2) But the Welsh Ministers may only make a determination under this section if subsection (3) or (4) applies.
- (3) This subsection applies if there has been a change in any matter that was taken into account in making—
  - (a) the determination relating to the settlement payment or a calculation under that determination, or
  - (b) a previous determination under this section relating to the local housing authority or a calculation under that determination.
- (4) This subsection applies if the Welsh Ministers are satisfied that an error was taken into account in making any determination or calculation mentioned in subsection (3).
- (5) A determination under this section may be varied or revoked by a subsequent determination.

### **134 Additional provision about payments**

- (1) A payment under this Part must be made in such instalments, at such times and in accordance with such arrangements as the Welsh Ministers may determine.
- (2) A payment under this Part by a local housing authority must be accompanied by such information as the Welsh Ministers may require.
- (3) The Welsh Ministers may charge a local housing authority interest, at such rates and for such periods as the Welsh Ministers may determine, on any sum payable by the local housing authority under this Part not being paid by a time determined under this section for its payment.
- (4) The Welsh Ministers may charge a local housing authority an amount equal to any additional costs incurred by the Welsh Ministers as a result of any sum payable by the local housing authority under this Part not being paid by a time determined under this section for its payment.
- (5) A payment under this Part other than a payment under subsection (3) or (4)—
  - (a) if made by a local housing authority, is to be treated by the authority as capital expenditure for the purposes of Chapter 1 of Part 1 of the Local Government Act 2003;
  - (b) if made to a local housing authority, is to be treated by the authority as a capital receipt for the purposes of that Chapter.
- (6) A determination under this Part may require a payment to a local housing authority made under this Part to be used by the authority for a purpose specified in the determination.
- (7) A local housing authority to which such a requirement applies must comply with it.
- (8) In Schedule 4 to the Local Government and Housing Act 1989 (the keeping of the Housing Revenue Account), in Part 2 (debits to the account) after Item 5A (sums payable under section 170 of the Localism Act 2011) insert—

*“Item 5B: sums payable under section 134 of the Housing (Wales) Act 2014*  
Sums payable for the year to the Welsh Ministers under section 134(3) or (4) of the Housing (Wales) Act 2014 (interest etc charged as a result of late payment of settlement payments etc).”

#### *General provision*

### **135 Provision of information upon request**

- (1) A local housing authority must supply the Welsh Ministers with such information as the Welsh Ministers may specify for the purpose of enabling the Welsh Ministers to exercise functions under this Part.
- (2) The Welsh Ministers may exercise their powers under this section generally or in relation to a particular case.
- (3) If a local housing authority fails to comply with this section before the end of such period as the Welsh Ministers may specify, the Welsh Ministers may exercise functions under this Part on the basis of such assumptions and estimates as the Welsh Ministers think fit.

### **136 Determinations under this Part**

- (1) A determination under this Part may make different provision for different cases or descriptions of case, including different provision—
  - (a) for different areas;
  - (b) for different local housing authorities;
  - (c) for different descriptions of local housing authority.
- (2) Before making a determination under this Part that relates to all local housing authorities or a description of local housing authority, the Welsh Ministers must consult such—
  - (a) representatives of local government in Wales, and
  - (b) other persons,as the Welsh Ministers consider appropriate.
- (3) Before making a determination under this Part relating to a particular local housing authority, the Welsh Ministers must consult that local housing authority.
- (4) As soon as is practicable after making a determination under this Part, the Welsh Ministers must send a copy of the determination to the local housing authority or authorities to which it relates.
- (5) Subsections (4) to (7) of section 87 of the Local Government and Housing Act 1989 (using electronic communications to send copies of determinations) apply to a determination under this Part as they apply to a determination made by the Welsh Ministers under Part 6 of that Act.