

HOUSING (SCOTLAND) ACT 2001

EXPLANATORY NOTES

BACKGROUND AND OVERVIEW

Part 5 – Strategic Housing Functions

Section 90: Grants for housing purposes

136. This section gives the Scottish Ministers powers to make grants to local authorities for housing purposes of such amount, and subject to such terms and conditions, as they see fit. This grant is intended to allow local authorities to fund registered social landlords and other bodies and existing arrangements will continue for funding expenditure on local authorities own stock. It will be possible, however, for grants to be paid in connection with relevant housing-related debt.
137. *Subsection (3)* establishes that grant payments in respect of housing related debt will be confined to the debt which would otherwise have been charged to the Housing Revenue Account (HRA) under the terms of *paragraph 3(a) of Schedule 15* to the 1987 Act. The grant may be towards some or all of the following: the servicing of debt remaining on the HRA following a partial stock transfer; repayments in relation to servicing of debt following a whole stock transfer; debt repayments in respect of breakage costs resulting from the early repayment of debt; and the repayment of principal. Following a whole stock transfer an order, under section 94(2), will remove the duty to keep a HRA.
138. *Subsection (5)* allows a local authority to enter into a management or agency agreement with the Scottish Ministers to enable Ministers to exercise the authority's functions in relation to some or all of the sums received by the authority under this section.