SCHEDULE 7
REGULATION OF REGISTERED SOCIAL LANDLORDS

PART 2

CONSTITUTION, CHANGE OF RULES, AMALGAMATION AND DISSOLUTION

Transfer of net assets on dissolution or winding up

12 (1) This paragraph applies—

(a) where a registered social landlord which is an industrial and provident society is dissolved as mentioned in section 55(a) or (b) of the Industrial and Provident Societies Act 1965 (c. 12) (winding up under the Insolvency Act 1986 or by instrument of dissolution), and

(b) where a registered social landlord which is a company registered under the Companies Act 1985 (c. 6) is wound up under the Insolvency Act 1986 (c. 45).

(2) On such a dissolution or winding up, so much of the property of the society or company as remains after meeting the claims of its creditors and any other liabilities arising on or before the dissolution or winding up are to be transferred to such registered social landlord as the Scottish Ministers may direct.

(3) Sub-paragraphs (1) and (2) have effect despite anything in the Industrial and Provident Societies Act 1965 (c. 12), the Companies Act 1985 (c. 6) or the Insolvency Act 1986 (c. 45) or in the rules of the society or, as the case may be, in the memorandum or articles of association of the company.

(4) In order to avoid the necessity for the sale of land belonging to the registered social landlord and thereby secure the transfer of the land under this paragraph, the Scottish Ministers may, if it appears to them appropriate to do so, make payments to discharge such claims or liabilities as are referred to in sub-paragraph (2).

(5) The Scottish Ministers must, before making a direction under sub-paragraph (2), consult the tenants of the houses included in the proposed transfer; and, in making a direction, they must have regard to the views expressed by those consulted.