
EXPLANATORY NOTE

(This note is not part of the Regulations.)

The Regulations make provision for the payment of grant towards the cost of the replacement of dwellings under Article 73 of the Housing (Northern Ireland) Order 1992, (“the 1992 Order”).

Regulation 2 provides for the Regulations to apply to applications for replacement grant made on or after 1st December 2003 in respect of dwelling houses which are unfit for human habitation and situated in rural areas.

Regulation 3 provides for specified Articles of the 1992 Order to be applied to replacement grant, without any modification, in the same manner as they apply to renovation grant.

Regulation 4 provides for other Articles of the 1992 Order specified in Column 1 of the Schedule to be applied, with the modifications specified in Column 2 to replacement grant in the same manner as they apply to renovation grant. The main modifications are –

- (i) Article 42 – the applicant is required to be living in and have a specified owner’s interest in the property, or where the applicant has such an interest, but does not reside in the dwelling, or proposes to acquire such an interest, he must have strong social and economic ties to the local area and be eligible for re-housing based on housing need as set out in the Common Selection Scheme or the Executive must be satisfied that there is need for housing in the local area.
- (ii) Article 46 allows the Executive to approve works to remedy unfitness where some have begun.
- (iii) Article 50 – makes the approval of grant discretionary and requires an investment appraisal to be carried out before deciding whether replacement of the dwelling is the most satisfactory course of action.
- (iv) Article 54 – provides an additional ground on which grant may be recalculated and increased.
- (v) Article 55 – makes payment of grant conditional on the original dwelling being demolished (except where there are sound reasons for not doing so); the new dwelling complying with all statutory requirements; and the new dwelling being constructed by a builder who provides insurance protection against structural defects for a minimum of 10 years.
- (vi) Article 57 gives the Executive flexibility to determine the rate of interest to be charged where grant has to be repaid.
- (vii) Article 58 amends the circumstances where the Executive may demand the repayment of grant in cases of a relevant disposal.
- (viii) Article 59 increases the grant condition period to 5 years.
- (ix) Article 70 provides an additional ground for the Executive deciding that an applicant is not entitled to grant and to recover any grant that has been paid. The additional ground covers cases where the works are not required for the purpose approved or there are not satisfactory financial or other arrangements in place to allow the work to proceed.
- (x) Article 71 provides additional grounds on which grant may be recalculated, withheld or repayment demanded.

Regulation 5 revokes the previous Regulations with savings in respect of applications for replacement grant made before 1st December 2003.