



Housing Act 1964

1964 CHAPTER 56

PART III

ASSISTANCE FOR IMPROVEMENT OF DWELLINGS

Miscellaneous

58 Duty of local authority in Scotland to offer loans to meet expenses of compulsory improvement under Part II of Act

- (1) Any person who is liable to incur expenditure in complying with an immediate improvement notice or a final improvement notice served, or an undertaking accepted, under Part II of this Act in Scotland, or who is liable to make a payment as directed by the sheriff under section 27(8) of this Act, may apply to the local authority for a loan.
- (2) Subject to this section, if the local authority are satisfied that the applicant can reasonably be expected to meet obligations assumed by him in pursuance of this section in respect of a loan of the amount of the expenditure or payment to which the application relates, the local authority shall offer to make a loan of that amount to the applicant, the loan to be secured to the local authority by a bond and disposition in security of the premises consisting of or comprising the dwelling, or by a bond and assignation in security of a lease of those premises, or by a bond and such other deed of security over the applicant's estate or interest in the said premises as may be agreed between the local authority and the applicant.
- (3) Subject to this section, if the local authority are not so satisfied, but consider that the applicant can reasonably be expected to meet obligations assumed by him in pursuance of this section in respect of a loan of a smaller amount, the local authority may, if they think fit, offer to make a loan of that smaller amount to the applicant, the loan to be secured as mentioned in the last foregoing subsection.
- (4) Any offer made by the local authority under this section shall contain a condition to the effect that, if a standard grant or improvement grant becomes payable under section 19 of the Act of 1959 or section 111 of the Act of 1950 in respect of the expenditure or payment to which the application under this section relates, the local authority shall

Status: This is the original version (as it was originally enacted).

not be required to lend a sum greater than the amount of the expenditure or payment to which the application relates after deduction of the amount of the standard grant or, as the case may be, of the improvement grant.

- (5) The local authority shall not make an offer under the foregoing provisions of this section unless they are satisfied—
- (a) that the applicant's estate or interest in the said premises amounts to ownership or a lease for a period which will not expire before the date for final repayment of the loan, and
 - (b) that, according to a valuation made on behalf of the local authority, the amount of the principal of the loan does not exceed the value which it is estimated the subjects comprised in the security will bear after improvement of the dwelling or dwellings to the full or, as the case may be, the reduced standard.
- (6) The rate of interest payable on a loan under this section shall be such as the Secretary of State may direct either generally or in any particular case, and the Secretary of State may, if he thinks fit, give directions, either generally or in any particular case, as to the time within which a loan under this section, or any part of such a loan, is to be repaid.
- (7) Subject to the foregoing provisions of this section, the loan offered by the local authority under this section shall be subject to such reasonable terms as the local authority may specify in their offer.
- (8) The local authority's offer may in particular include any such terms as are described in section 75(3)(c) of the Act of 1950 (repayment of principal and interest) and provision for the advance being made by instalments from time to time as the works of improvement progress.
- (9) An application under this section must be made in writing within three months of the date when the improvement notice becomes operative or the undertaking is accepted or the payment is to be made as directed by the sheriff, as the case may be, or such longer period as the local authority by permission given in writing may allow.
- (10) References in this section to the dwelling are references to the dwelling to which the improvement notice or undertaking relates or in respect of which the payment is to be made, and the reference to the improvement of the dwelling to the full standard or the reduced standard shall be construed as if contained in Part II of this Act.
- (11) Where a standard grant or improvement grant is payable partly in respect of expenditure or a payment to which the application under this section relates, and partly in respect of other expenditure or another payment, the reference in subsection (4) of this section to a standard grant or improvement grant shall be taken as a reference to the part of the standard grant or improvement grant which in the opinion of the local authority is attributable to the expenditure or payment to which the application under this section relates.