



# Housing Rents and Subsidies Act 1975

CHAPTER 6

*LONDON*  
HER MAJESTY'S STATIONERY OFFICE

**HOUSING RENTS AND SUBSIDIES ACT 1975**  
**(1975 c. 6)**

**CORRECTION**

Page 10, section 12, section 19A.—(1), line 6  
*for* “ subsection (4) ”  
*read* “ subsection (3) ”

*May* 1975

**PRINTED BY HAROLD GLOVER**

Controller of Her Majesty's Stationery Office and Queen's Printer of Acts of Parliament

(375853)

**PUBLIC GENERAL ACTS  
AND GENERAL SYNOD MEASURES 1975**

**PART I**

**Housing Rents and Subsidies Act 1975**

(1975 c. 6)

**CORRECTIONS**

Page 26, section 19A(1), line 6,  
*for* ' subsection (4) '  
*read* ' subsection (3) '

**PART III**

**Employment Protection Act 1975**

(1975 c. 71)

**CORRECTIONS**

Page 2188, section 100(3)(b), line 2,  
*for* ' section 90 '  
*read* ' section 99 '

Page 2285, Schedule 16, Part II, paragraph 6, line 2,  
*for* ' paragraphs (b) to (d) '  
*read* ' paragraphs (a) to (c) '

*May* 1977

Her Majesty's Stationery Office

PRINTED IN ENGLAND BY BERNARD M. THIMONT  
Controller of Her Majesty's Stationery Office and Queen's Printer of Acts of Parliament

(311871)



# Housing Rents and Subsidies Act 1975

## CHAPTER 6

### ARRANGEMENT OF SECTIONS

#### *Rents in public sector*

Section

1. Rents for public sector dwellings.

#### *Subsidy*

2. Housing subsidy.
3. Modified rent rebate subsidy.
4. Expanding towns subsidy.
5. Transitional town development subsidy.
6. Eligibility for housing association grant and revenue deficit grant.

#### *Private sector rents and tenancies*

7. Phasing of rent increases for private sector housing.
8. Certain amenities to be disregarded in determining fair rent.
9. Termination of decontrol of tenancies by reference to rateable value.
10. Increases of rent under controlled tenancy permitted towards costs of repairs.

#### *Rent—general power*

11. Reserve power to limit rents.

#### *Miscellaneous*

12. Extension of Part II of Housing Finance Act 1972 to almspeople.
13. Abolition of Central Housing Advisory Committee.

#### *Supplementary*

14. Finance.
15. Orders etc.
16. Interpretation.
17. Citation etc.

#### SCHEDULES:

Schedule 1—Rents and subsidies

Part I—Subsidy.

Part II—Rent refunds.

Part III—Provisions relating to certain housing associations.

Schedule 2—Phasing of rent increases.

Schedule 3—Disregard of amenities.

Schedule 4—Provisions supplementary to section 10.

Schedule 5—Minor and consequential amendments.

Schedule 6—Repeals and revocations.

Part I—Public sector rents.

Part II—Subsidies and Housing Revenue Account.

Part III—Termination of decontrol.

Part IV—Miscellaneous Repeals.

Part V—Orders revoked.

ELIZABETH II



# Housing Rents and Subsidies Act 1975

1975 CHAPTER 6

An Act to repeal certain provisions of the Housing Finance Act 1972; to make further provision as to rents; to introduce new housing subsidies for local authorities and new town corporations and abolish certain existing subsidies; to render certain housing associations whose rules restrict membership to tenants or prospective tenants and preclude the grant or assignment of tenancies to persons other than members eligible for housing association grant and revenue deficit grant under the Housing Act 1974; to make minor amendments of certain enactments relating to housing; and for connected purposes.

[25th February 1975]

**B**E IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

### *Rents in public sector*

1.—(1) Parts V and VI of the Housing Finance Act 1972 (which provide machinery for determining rents for local authority and new town corporation dwellings and require local authorities and new town corporations to increase their rents) are repealed; and accordingly in section 111(1) of the Housing Act 1957 (general responsibility for local authority's houses) the words "subject to the provisions of the Housing Finance Act 1972" are also repealed, but without prejudice to the duties to

Rents for public sector dwellings.

1972 c. 47.

1957 c. 56.

operate a rent rebate scheme and a rent allowance scheme imposed by Part II of the Housing Finance Act 1972.

1972 c. 47.  
1957 c. 56.

(2) After section 113(1) of the Housing Act 1957 (conditions to be observed in management of local authority's houses) there shall be inserted the following subsection:—

“(1A) A local authority shall from time to time review rents and make such changes, either of rents generally or of particular rents, as circumstances may require.”.

(3) A local authority may make provision for a working balance in their Housing Revenue Account which is no larger than is reasonably necessary having regard to all the circumstances, but save as aforesaid they shall not make provision for a surplus in that account.

#### *Subsidy*

Housing  
subsidy.

2.—(1) A subsidy, to be known as “housing subsidy”, and consisting of five elements, shall be payable to local authorities and new town corporations, in accordance with Part I of Schedule 1 to this Act.

(2) The five elements of housing subsidy are—

- (a) the basic element,
- (b) the new capital costs element,
- (c) the supplementary financing element,
- (d) the special element, and
- (e) the high costs element.

(3) Housing subsidy shall be payable for the credit of a local authority's Housing Revenue Account and a new town corporation's housing account.

Modified  
rent rebate  
subsidy.

3.—(1) A subsidy, to be known as “modified rent rebate subsidy”, shall be payable to local authorities and new town corporations for the year 1975-76 and for any later year.

(2) Modified rent rebate subsidy shall be payable for the credit of a local authority's Housing Revenue Account and a new town corporation's housing account.

(3) An authority's or corporation's modified rent rebate subsidy for any year shall be an amount equal to 75 per cent. of their standard amount of rent rebates for the year.

(4) A local authority shall make a rate fund contribution for each year of an amount equal to the total of—

- (a) 25 per cent. of their standard amount of rent rebates for the year, and
- (b) the amount, if any, by which the rent rebates granted by them for the year exceed the said standard amount, and



(c) their costs for the year of administering their rebate scheme under Part II of the Housing Finance Act 1972. 1972 c. 47.

4.—(1) A subsidy, to be known as “expanding towns <sup>Expanding towns subsidy.</sup> subsidy”, shall be payable to a receiving authority for the year 1975-76, and also, subject to subsection (3) below, for any later year, in respect of their qualifying dwellings.

(2) Expanding towns subsidy shall be payable for the credit of a receiving authority’s Housing Revenue Account.

(3) Expanding towns subsidy in respect of any dwelling shall be paid for ten years, namely the year in which that dwelling, or another dwelling which has become available as the result of the provision of that dwelling, is let for the first time to a qualifying person, and the nine years immediately following that year.

(4) Subject to subsections (1) to (3) above, the amount of expanding towns subsidy payable to any receiving authority and the circumstances in which and conditions subject to which it is to be payable shall be determined by the Secretary of State.

(5) In this section—

“qualifying dwellings” means dwellings provided by a receiving authority for letting in the course of a scheme of town development which in the opinion of the Secretary of State is substantial ;

“qualifying person”, in relation to a scheme of town development, means a person from the area of a sending authority or a person who is a member of a class of persons whose accommodation in the area of the receiving authority is considered by the Secretary of State to be necessary for the success of the scheme ; and

“sending authority” means a local authority so designated by the Secretary of State for the purposes of this section in relation to a receiving authority.

5.—(1) Subject to subsection (4) below, a subsidy, to be known as “transitional town development <sup>Transitional town development subsidy.</sup> subsidy”, shall be payable for the year 1975-76 and also for any later year to a sending authority to whom town development subsidy under section 9 of the Housing Finance Act 1972 was payable for the year 1974-75.

(2) Transitional town development subsidy shall be payable for the credit of a sending authority’s general rate fund.

(3) Subject to subsection (4) below, the amount for any year of transitional town development subsidy payable to a sending authority shall be the amount of town development subsidy payable to that authority for the year 1974-75.

(4) The Secretary of State may reduce or discontinue a sending authority's transitional town development subsidy, if any dwelling in respect of which it is payable—

- (a) has been demolished ;
- (b) has been disposed of by the receiving authority ;
- (c) is not fit to be used, or is not being used, for letting as a dwelling ; or
- (d) in any other circumstances which he considers relevant.

(5) The Secretary of State shall have power to determine for the purposes of subsection (4) above—

- (a) the circumstances in which a dwelling is to be treated as having been demolished or disposed of ;
- (b) the circumstances in which a dwelling is to be treated as not fit to be used, or as not being used, for letting as a dwelling ;
- (c) in which circumstances other than those mentioned in paragraphs (a) to (c) of subsection (4) above an authority's transitional town development subsidy is to be reduced or discontinued ; and
- (d) the method by which any calculation is to be made ;

and the power conferred by paragraph (b) above shall also include power to determine what constitutes letting as a dwelling.

(6) Where transitional town development subsidy is payable, the sending authority shall for each year pay to the receiving authority, for the credit of the receiving authority's general rate fund, four times the amount of the sending authority's transitional town development subsidy for that year attributable to dwellings of the receiving authority which are available in that year for tenants from the sending authority.

Eligibility  
for housing  
association  
grant and  
revenue  
deficit grant.  
1965 c. 12.  
1974 c. 44.

6. The fact that a housing association is a society registered under the Industrial and Provident Societies Act 1965 and that its rules restrict membership to persons who are tenants or prospective tenants of the association and preclude the grant or assignment of tenancies to persons other than members shall not render it ineligible for housing association grant under section 29 of the Housing Act 1974 or for revenue deficit grant under section 32 of that Act.

#### *Private sector rents and tenancies*

Phasing of  
rent increases  
for private  
sector housing.

7.—(1) Where the rent of a dwelling-house qualifies for phasing under this Act—

- (a) a notice of increase of the rent for any statutory period beginning during the period of delay imposed by Schedule 2 to this Act and after the coming into force

of this section may increase it to the extent permitted by that Schedule ;

- (b) the rent for any contractual period beginning during the period of delay and after the coming into force of this section shall not exceed the amount to which the rent could have been increased in accordance with that Schedule for a statutory period beginning at the same time.

(2) A notice of increase which purports to increase rent which qualifies for phasing under this Act further than permitted by Schedule 2 to this Act shall have effect to increase it to the extent so permitted but no further.

(3) The rent of a dwelling-house qualifies for phasing under this Act if—

- (a) it is registered ; and
- (b) the present phasing provisions do not apply to it ; and
- (c) the tenancy is a regulated tenancy which—
  - (i) was subsisting at the date of the coming into force of this section ; or
  - (ii) was subsisting at the date of registration ; or
  - (iii) was not subsisting at the date of registration but was granted after that date to a person who, at the date when it was granted, was the tenant under a previous regulated tenancy of the dwelling-house or a person who might succeed the tenant as a statutory tenant.

(4) In subsection (3)(b) above “ the present phasing provisions ” means—

- (a) Schedule 3 to the Housing Act 1969 and Schedule 6 1969 c. 33. to the Housing Finance Act 1972 (each of which 1972 c. 47. contains general provisions about phasing) ; and
- (b) section 84 of the Housing Finance Act 1972, as extended by paragraph 8 of Schedule 3 to the Housing Act 1974 1974 c. 44. (certain housing association etc. tenancies).

(5) Nothing in this section or in Schedule 2 to this Act shall prevent or limit any increase in rent by virtue of section 47(4) of the Rent Act 1968 (variable rents). 1968 c. 23.

8.—(1) The following paragraphs shall be inserted after paragraph (b) of subsection (3) of section 46 of the Rent Act 1968 (determination of fair rent):— Certain amenities to be disregarded in determining fair rent.

- “ (bb) the provision in the locality after the material date of any new amenity or the improvement after that date of

any amenity already existing in the locality, where the amenity is provided or improved—

(i) at the cost of a person other than the landlord or a superior landlord or a predecessor in title of the landlord or a superior landlord, or

(ii) by a body of a public nature which is a superior landlord, in the exercise of functions of a public nature ; and

(*bbb*) any deterioration after the material date in the amenities of the locality (including the disappearance of any of them) other than a deterioration attributable to any act or omission of the landlord or a superior landlord or a predecessor in title of the landlord or a superior landlord ; and ”.

(2) The following subsection shall be added at the end of the said section 46 :—

“ (5) In subsection (3)(*bb*) and (*bbb*) above “ the material date ” means—

(*a*) where a rent is registered, the relevant date, as defined in section 44(4) above, and

(*b*) where no rent is registered, 8th March 1971.”.

(3) Where a rent has been registered or confirmed on or after 8th March 1974 but before the coming into force of this section, the tenant may apply, not later than the end of a period of six months from the date on which this section comes into force, for another rent to be determined, in place of that rent, on the ground that the determination or confirmation took account of a matter which would have fallen to be disregarded by virtue of section 46(3)(*bb*) of the Rent Act 1968 if that provision had then been in force.

1968 c. 23.

(4) Schedule 3 to this Act shall have effect.

(5) Expressions used in this section or in the said Schedule and also used in Part IV of the Rent Act 1968 have the same meanings as in the said Part IV.

Termination of decontrol of tenancies by reference to rateable value.

**9.** No controlled tenancy of a dwelling-house shall cease to be a controlled tenancy by reference to the rateable value of the dwelling-house.

Increases of rent under controlled tenancy permitted towards cost of repairs.

**10.**—(1) If repairs have been effected to a dwelling which is subject to a controlled tenancy, the rent limit under the controlled tenancy for rental periods beginning after the completion of the repairs shall be increased by the appropriate amount.

(2) If repairs have been effected to premises part of which is subject to a controlled tenancy (other than repairs to the part of the premises subject to the tenancy), and the landlord claims that benefit accrues to that part of the premises consisting

of the dwelling subject to the controlled tenancy, the rent limit under the controlled tenancy for rental periods beginning after the completion of the repairs may be increased, in accordance with subsection (8) below, by the appropriate amount.

(3) In this section—

“the appropriate amount” means—

(a) subject to subsection (8) below, in a case to which subsection (1) above applies,  $12\frac{1}{2}$  per cent. per annum of the expenditure on the repairs; and

(b) in a case to which subsection (2) applies,  $12\frac{1}{2}$  per cent. per annum of a proportion of the expenditure on the repairs determined in accordance with subsection (8) below;

“expenditure on the repairs” means the amount expended on the repairs by the landlord or any superior landlord or any person from whom the landlord or any superior landlord derives title,

and any expression to which a meaning is assigned by section 67 1968 c. 23. or 113 of the Rent Act 1968 has that meaning.

(4) This section does not apply to repairs completed before the coming into force of this section unless they were completed on or after 6th April 1973.

(5) This section does not apply to repairs for which the tenant is responsible.

(6) Where a grant paid or payable under any of the relevant enactments is such as to cover the whole or any part of the cost of repairs, the reference in subsection (3) above to the amount expended on the repairs shall be construed as a reference to that amount diminished by the amount of the grant.

(7) In subsection (6) above “the relevant enactments” means—

(a) Part I of the Housing Act 1969; and 1969 c. 33.

(b) sections 61, 65 and 71 of the Housing Act 1974. 1974 c. 44.

(8) The appropriate amount—

(a) in a case to which subsection (1) above applies, but where the tenant claims that benefit accrues not only to the dwelling subject to the controlled tenancy but also to other premises of the landlord or a superior landlord, and

(b) in any case to which subsection (2) above applies, is  $12\frac{1}{2}$  per cent. per annum of only so much of the expenditure on the repairs as may be determined, by agreement in writing between the landlord and the tenant or by the county court, to be properly apportionable to the dwelling, having regard to the benefit accruing, from the carrying out of the repairs, to the dwelling and to the other premises benefited by them.

(9) Any such determination may be made so as to relate to past rental periods.

(10) Any such determination made by the county court shall be final and conclusive.

(11) Schedule 4 to this Act shall have effect.

(12) If—

(a) the landlord serves a notice of increase of rent by virtue of this section, and

(b) the tenant requests him in writing, not later than three months after service of the notice, to supply him with information showing how he has calculated the expenditure on the repairs,

it shall be the landlord's duty, not later than one month after the date of the request, to supply the tenant with copies of such accounts, receipts and other documents as are reasonably necessary for that purpose.

(13) A request under subsection (12) above shall be deemed to be duly made to a landlord if it is served on any agent of the landlord named as such in a rent book or other similar document or on the person who receives the rent on behalf of the landlord; and it shall be the duty of a person on whom a request is so served to forward it as soon as may be to the landlord.

(14) If any person without reasonable excuse fails to perform any duty imposed on him by subsection (12) or (13) above, he shall be guilty of an offence and liable on summary conviction to a fine not exceeding £200.

#### *Rent—general power*

Reserve power  
to limit rents.

**11.—**(1) An order may provide for restricting or preventing increases of rent for dwellings which would otherwise take place, or for restricting the amount of rent which would otherwise be payable on new lettings of dwellings.

(2) The supplemental and incidental provisions that may be made by an order under this section may include provisions excluding, adapting or modifying any provision contained in or having effect under any Act which relates to rent (including this Act and any Act passed after it), and in particular provisions for the recovery of overpaid rent.

(3) An order under this section shall be subject to annulment in pursuance of a resolution of either House of Parliament.

1973 c. 9.

(4) Upon the coming into force of this subsection, the power to make orders under section 11 of the Counter-Inflation Act 1973 (general power to make orders restricting or preventing increases of rent) shall cease to include power to make orders relating to rent for dwellings; but the coming into force of this

subsection shall not affect the validity of anything done, whether before or after the coming into force of this subsection, by virtue of any order under the said section 11.

(5) The Counter-Inflation (Private Sector Residential Rents) (England and Wales) Order 1974 and the Counter-Inflation (Private Sector Residential Rents) (England and Wales) Order 1974 are revoked, and the standstill period under the first order (which was extended by Article 3 of the second order) shall terminate on the coming into force of this subsection. S.I. 1974 No. 380. S.I. 1974 No. 1928.

(6) Notwithstanding the revocation of the orders—

(a) Article 5 of the first order (recovery of excess rent) shall continue to have effect, for the purposes of both orders, so as to enable a tenant to recover rent at any time during which he would have been able to recover it if the orders had not been revoked, and

(b) Article 8 of that order (jurisdiction of the county court) shall continue to have effect, for the purposes of both orders, in respect of any proceedings commenced before the expiry of a period of two years from the date of the revocation.

(7) Paragraphs (a) and (b) of subsection (6) above shall continue to have effect during the periods specified in them, whether or not Part II of the Counter-Inflation Act 1973 (under which the two revoked orders were made) is in effect. 1973 c.9.

(8) Notwithstanding the revocation of the orders, the rent recoverable under a regulated tenancy of a dwelling-house in respect of a contractual period beginning before but ending after the revocation shall not exceed the amount which, by virtue of the orders, was the counter-inflation limit for the dwelling-house immediately before the revocation.

(9) Section 38(2) of the Interpretation Act 1889 (effect of repeals) shall apply in relation to the orders as it applies to an enactment which is repealed by another Act. 1889 c.63.

(10) For the purposes of this section an increase in rent takes place at the beginning of the rental period for which an increased rent is payable.

(11) In this section—

“dwelling” does not include a dwelling forming part of a property subject to a tenancy to which Part II of the Landlord and Tenant Act 1954 (business tenancies) applies (but without prejudice to the application of this section in relation to a sub-tenancy of any part of the premises comprised in such a tenancy);

“local authority” includes a county council;

“new letting” includes any grant of a tenancy, or agreement to grant a tenancy, whether or not the premises were previously let, and any grant of a licence ;

“rent” includes any sum payable under a licence but does not include any sum attributable to rates, or, in the case of dwellings of local authorities or new town corporations, to the use of furniture, or the provision of services.

*Miscellaneous*

Extension of Part II of Housing Finance Act 1972 to almspeople. 1972 c. 47.

**12.** After section 19 of the Housing Finance Act 1972 there shall be inserted the following section :—

“ Allowances for almspeople.

**19A.**—(1) Subject to subsection (2) below, it shall be the duty of every local authority, on and after such date as the Secretary of State may by order made by statutory instrument appoint, to treat as private tenants, except to the extent that regulations under subsection (4) below provide to the contrary, persons who occupy as their homes almshouse accommodation in the authority’s area, and accordingly to make provision in their allowance scheme for granting them allowances, calculated in accordance with the scheme by reference to their needs and their resources, towards their almshouse contributions.

(2) Section 25 below shall not apply in relation to such persons, and in Schedule 3 to this Act “rent which is eligible to be met by a rebate or an allowance” means, in relation to such persons, the amount of their almshouse contributions.

(3) Regulations made by the Secretary of State with the consent of the Treasury may provide—

(a) that any enactment contained in this Part of this Act, other than this section and section 25 below, and any instrument made under any such enactment, and

(b) any enactment contained in Schedule 3 or 4 to this Act and any instrument made under either of those Schedules,

shall have effect, so far as the Secretary of State considers appropriate for giving effect to this section, subject to such exceptions or modifications as may be specified in the regulations.

(4) Regulations under subsection (3) above shall be made by statutory instrument and shall be subject to annulment in pursuance of a resolution of either House of Parliament.”.



13. Section 143 of the Housing Act 1957 (provision for appointment and functions of Central Housing Advisory Committee) is repealed, and the Committee shall accordingly cease to exist.

Abolition of Central Housing Advisory Committee. 1957 c. 56.

*Supplementary*

14. There shall be paid out of money provided by Parliament— Finance.

- (a) any subsidy under this Act,
- (b) any other expenses of the Secretary of State under this Act, and
- (c) any increase in the sums payable out of money provided by Parliament under any Act other than this Act which is attributable to this Act.

15.—(1) Any order or regulations under any provision of this Act shall be made by the Secretary of State by statutory instrument. Orders etc.

(2) Except so far as any provision of this Act provides otherwise, no such order shall be made unless a draft of the order has been approved by a resolution of the House of Commons.

(3) Any power to make an order conferred by any provision of this Act includes power to make an order varying or revoking any order previously made under that provision.

(4) It is hereby declared that any power of making determinations conferred on the Secretary of State by any provision of this Act includes power to vary or revoke determinations made under that provision.

(5) Any order, determination or direction made under this Act may contain supplemental or incidental provisions, and may be made to apply to any specified description of local authorities or new town corporations or to any specified description of dwellings.

(6) Any determination or direction may be made to apply to a specified local authority or new town corporation.

(7) Any order, determination or direction which applies to the Commission may apply separately, in relation to each of the Commission's towns, as if in relation to each town the Commission were a different body.

16.—(1) In this Act, unless the context otherwise requires— Interpretation.  
 "the Commission" means the Commission for the New Towns;

- 1968 c. 23. “contractual period” has the meaning assigned to it by section 38(1) of the Rent Act 1968 ;
- 1965 c. 59. “development corporation” means a development corporation established under the New Towns Act 1965 ;
- 1944 c. 36. “dwelling” means a building or part of a building occupied or intended to be occupied as a separate dwelling, together with any yard, garden, outhouses and appurtenances belonging to or usually enjoyed with that building or part, and includes any structure made available under section 1 of the Housing (Temporary Accommodation) Act 1944 ;
- “general rate fund”, in relation to the Greater London Council, means the general fund of the Greater London Council, and in relation to the Common Council of the City of London, means the general rate ;
- 1957 c. 56. “housing association” has the meaning assigned to it for the purposes of the Housing Act 1957 by section 189(1) of that Act, except that it does not include any association which is, or is deemed to be, duly registered under the Industrial and Provident Societies Act 1965 and whose rules restrict membership to persons who are tenants or prospective tenants of the association, and preclude the granting or assigning of tenancies to persons other than members ;
- 1965 c. 12. “loan charges” means the sums required for the payment of interest on money borrowed by a local authority or a new town corporation, and for the repayment of any such money either by instalments or by means of a sinking fund, and the expenses of managing the debt, and also includes—
- (a) any loan charges made by a local authority or new town corporation as a matter of internal accounting (including charges for debt management), whether in respect of borrowing from any capital fund kept by them, or in respect of borrowing between accounts kept by them for different functions, or otherwise ; and
- (b) any notional loan charges made as a matter of internal accounting by a local authority on an appropriation of land ;
- “local authority” means the council of a district or of a London borough, the Greater London Council and the Common Council of the City of London ;
- “new town corporation” means a development corporation or the Commission ;

- “ notice of increase ” means a notice under section 22(2) of the Rent Act 1968 ; 1968 c. 23.
- “ rate fund contribution ” means a contribution made by a local authority out of their general rate fund ;
- “ receiving authority ” means the council of a receiving district ;
- “ receiving district ” has the meaning assigned to it by section 1(2) of the Town Development Act 1952 ; 1952 c. 54.
- “ registered ”, in relation to a rent, means registered under Part IV of the Rent Act 1968 and “ registration ” shall be construed accordingly ;
- “ regulated tenancy ” has the meaning assigned to it by section 7(2) of that Act ;
- “ rental period ” means a period in respect of which a payment of rent for a dwelling falls to be made ;
- “ standard amount of rent rebates ” has the meaning assigned to it by section 20(8) of the Housing Finance Act 1972 ; 1972 c. 47.
- “ statutory period ” has the meaning assigned to it by section 38(1) of the Rent Act 1968 ;
- “ town development ” has the meaning assigned to it by section 1 of the Town Development Act 1952 ;
- “ year ” means a financial year, and “ the year 1975-76 ” means the financial year beginning in 1975 and ending in 1976, and so on.

(2) Any reference in this Act to a new town corporation's housing account shall, in relation to the Commission, be taken as a reference to the separate housing accounts kept by the Commission for each of their towns.

(3) Except where the context otherwise requires, any reference in this Act to any enactment is a reference to it as amended or applied by or under any other enactment, including this Act.

**17.**—(1) This Act may be cited as the Housing Rents and Subsidies Act 1975. Citation etc.

(2) The Housing Acts 1957 to 1974 and this Act may be cited together as the Housing Acts 1957 to 1975.

(3) Parts II and III of Schedule 1 to this Act shall have effect.

(4) The enactments specified in Schedule 5 to this Act shall have effect subject to the amendments set out in that Schedule, being amendments consequential on the foregoing provisions of this Act and minor amendments.

(5) The enactments specified in Schedule 6 to this Act (which include enactments that were obsolete or unnecessary before the passing of this Act) are repealed to the extent mentioned in

column 3 of that Schedule, but subject to the note at the end of Part II.

(6) The orders specified in Part V of that Schedule are revoked to the extent mentioned in the third column of that Part.

(7) The following provisions of this Act, namely—  
section 1 ;

section 11, except subsections (5) to (9) ;

subsections (8) and (11) below ;

Part II of Schedule 1, together with subsection (3) above so far it relates to that Part ;

paragraphs 13, 22 and 23 of that Schedule ;

paragraphs 4 and 7 of Schedule 5 ;

1972 c. 47.

together with subsection (5) above, so far as it relates to the repeals contained in Part I of Schedule 6 and the repeals in section 25(2)(c) of the Housing Finance Act 1972 and of section 80 of that Act contained in Part IV of that Schedule, shall come into force on the day on which this Act is passed.

1973 c. 9.

(8) So long as any order under section 11 of the Counter-Inflation Act 1973 relating to rents of local authority or new town corporation dwellings is in force, nothing in section 1 above shall authorise the charging of any rent which would not be authorised by the order.

(9) Subject to subsection (7) above, this Act shall come into force at the expiration of a period of two weeks beginning with the day on which it is passed.

(10) This Act extends to England and Wales only.

(11) Subject to section 103 of the Housing Finance Act 1972 (power to extend housing enactments to Isles of Scilly), none of the provisions of this Act extends to the Isles of Scilly, except—

sections 7 to 11 ;

Schedules 2 to 4 ;

together with subsection (5) above so far as it relates to the repeals contained in Part III of Schedule 6.

## SCHEDULES

### SCHEDULE 1

Sections 2  
and 17.

#### RENTS AND SUBSIDIES

##### PART I

##### SUBSIDY

##### *Housing subsidy*

1.—(1) Subject to the following provisions of this Schedule, a local authority or new town corporation shall be entitled to the basic element of housing subsidy for the year 1975-76 and for each later year if they were entitled to any of the following subsidies under the Housing Finance Act 1972 for the year 1974-75, namely—

- (a) the residual subsidy ;
- (b) the transition subsidy ;
- (c) the rising costs subsidy ; and
- (d) the operational deficit subsidy ;

and the amount of their basic element shall be the aggregate of the amounts payable to them for the year 1974-75 in respect of any of those subsidies.

(2) If he considers that there are exceptional circumstances, the Secretary of State—

- (a) may pay an increased basic element for the year 1975-76 to a local authority or new town corporation ; or
- (b) may treat an authority or corporation as entitled to the basic element for the year 1975-76 even though they would not be entitled to it by reference to subsidies for the year 1974-75.

(3) Any amount to be paid to an authority or corporation by virtue of sub-paragraph (2) above shall be such as appears to the Secretary of State to be appropriate ; and an authority or corporation to whom he pays an amount by virtue of that sub-paragraph shall be entitled, subject to paragraph 8 below, to the same amount of basic element for each later year.

(4) Without prejudice to his powers under sub-paragraphs (2) and (3) above, the Secretary of State may pay an increased basic element for any year to a local authority or new town corporation who have made refunds of rent under paragraph 14 or 15 below in that year, or treat such an authority or corporation as entitled for that year to payment of the basic element for which they would not otherwise qualify under this paragraph.

2.—(1) Subject to the following provisions of this Schedule, if a primary debit of reckonable expenditure which is attributable to admissible capital costs falls to be made in the Housing Revenue Account of a local authority or the housing account of a new town corporation for the year 1975-76 or for any later year, they shall be entitled to the new capital costs element of housing subsidy in respect of those costs for the relevant year and for any subsequent year in which reckonable expenditure in respect of those costs falls to be debited to their Housing Revenue Account or housing account.

## SCH. 1

(2) The amount of an authority's or corporation's new capital costs element for any year in respect of any admissible capital costs shall be an amount equal to the appropriate percentage of the reckonable expenditure for that year attributable to those costs, and, if there are different percentages attributable to different costs, it shall be an amount equal to the aggregate of those percentages.

(3) Subject to sub-paragraph (4) below, the Secretary of State shall have power to determine that the whole or part of any rent under a lease payable by a local authority or a new town corporation and debited to their Housing Revenue Account or housing account shall be treated for the purposes of this paragraph as reckonable expenditure attributable to admissible capital costs.

(4) The Secretary of State may not make a determination under sub-paragraph (3) above in respect of rent under a lease if a whole year's rent under it was debited to the Housing Revenue Account or housing account for a year previous to the year 1975-76.

(5) In this paragraph—

“appropriate percentage”, in relation to any capital costs, means 66 per cent., or such other percentage of the reckonable expenditure attributable to them as may be specified ;

“reckonable expenditure” means so much of the expenditure falling to be debited to the Housing Revenue Account or housing account as the Secretary of State may determine ;

“relevant year”, in relation to any capital costs, means the year in which the primary debit of reckonable expenditure which is attributable to them falls to be made ; and

“specified”, in relation to the appropriate percentage of the reckonable expenditure attributable to any capital costs, means specified in an order applying to those costs.

3.—(1) Subject to the following provisions of this Schedule, if—

(a) a primary debit of reckonable loan charges which are attributable to admissible capital costs falls to be made in a local authority's Housing Revenue Account for any year earlier than the year 1975-76 ; and

(b) reckonable loan charges in respect of those costs fall to be debited in the Housing Revenue Account for the year 1974-75 ; and

(c) the authority's reckonable loan charges for the year 1975-76 or any later year in respect of those costs exceed their reckonable loan charges in respect of them for the year 1974-75,

the authority shall be entitled to the supplementary financing element of housing subsidy ; and its amount shall be an amount equal to the appropriate percentage of the excess.

(2) In this paragraph—

“appropriate percentage” means 33 per cent. of the excess or such other percentage of the excess as may be specified by order ; and

“reckonable loan charges” means so much of the loan charges falling to be debited to the Housing Revenue Account as the Secretary of State may determine.

SCH. 1

4. In any case where—

- (a) a primary debit of expenditure which is attributable to admissible capital costs falls to be made in a local authority's Housing Revenue Account or a new town corporation's housing account for the year 1974-75, and
- (b) loan charges fall to be debited to the account for the year 1974-75 in respect of those capital costs, but
- (c) the loan charges which fall to be so debited are not in respect of a whole year,

the Secretary of State shall determine that such part of the loan charges for the year 1975-76 and subsequent years as he considers appropriate shall be treated as reckonable expenditure attributable to admissible capital costs in respect of which the authority or corporation may be entitled to the new capital costs element under paragraph 2 above (instead, in the case of a local authority, of the supplementary financing element under paragraph 3 above).

5.—(1) In this Schedule—

“admissible capital costs” means such capital costs as the Secretary of State may determine ; and

“primary debit”, in relation to any capital costs, means the first or only debit in a Housing Revenue Account or housing account of expenditure attributable to those costs.

(2) Any question—

- (a) whether costs are capital costs ;
- (b) whether a debit is a primary debit ; or
- (c) which costs are costs to which a primary debit relates ;

shall be determined, for the purposes of this Schedule, by the Secretary of State.

6.—(1) A local authority or a new town corporation shall be entitled for the year 1975-76 to the special element of housing subsidy, of an amount calculated on a basis determined by the Secretary of State, if, on a basis determined by him, their Housing Revenue Account or housing account is to be treated, for the purposes of this paragraph, as showing a deficit for the year 1975-76.

(2) Subject to paragraph 8 below, an amount equal to the special element of housing subsidy paid to a local authority or a new town corporation shall be paid to them for any year after the year 1975-76 as part of their basic element of housing subsidy, or if they would not otherwise be entitled to that element, as the whole of it.

7.—(1) Subject to sub-paragraph (2) below, a local authority or a new town corporation shall be entitled to the high costs element of housing subsidy for the year 1976-77 or any subsequent year if their relevant expenditure for that year exceeds the standard level of expenditure.

(2) The Secretary of State shall determine the basis for the calculation of the high costs element, and in particular for deter-

SCH. 1 mining what expenditure is relevant and whether it exceeds the standard level.

8.—(1) Subject to paragraph 9 below, the Secretary of State may reduce or discontinue an authority's or corporation's basic element or new capital costs element for any year, if they have demolished or disposed of houses or other property within their Housing Revenue Account or housing account, or in any other circumstances which he considers relevant.

(2) The Secretary of State shall have power to determine, for the purposes of sub-paragraph (1) above—

- (a) to which houses and other property regard is or is not to be had ;
- (b) the circumstances in which houses and other property are to be treated as having been disposed of ;
- (c) to which circumstances other than demolition or disposal of houses and other property regard is to be had ; and
- (d) the method by which the reduction in the element is to be calculated.

*Subsidy where local authority housing functions are exercised  
by co-operatives*

9.—(1) Where a local authority or new town corporation have made an agreement to which this paragraph applies with a society, company or body of trustees for the time being approved by the Secretary of State for the purposes of this paragraph (in this paragraph referred to as a "housing co-operative"), neither the fact that they have made the agreement nor any letting of land in pursuance of it shall be treated as a ground for the reduction or discontinuance of their housing subsidy under paragraph 8 above.

(2) The agreements to which this paragraph applies are agreements with a local authority—

- (a) for the exercise by the co-operative, on such terms as may be provided in the agreement, of any of the local authority's powers relating to land in which they have a legal estate and which the authority for the time being hold for the purposes of Part V of the Housing Act 1957 and the performance by the co-operative of any of the local authority's duties relating to such land ; or
- (b) for the exercise by the co-operative, in connection with any such land as is referred to in paragraph (a) above, of any of the local authority's powers under section 94 or 95 of the Housing Act 1957 (powers to provide furniture, board and laundry facilities),

and agreements with a new town corporation for the exercise by the co-operative, on such terms as may be provided in the agreement, of any of the corporation's powers under the New Towns Act 1965 relating to land in which they have a legal estate.

1957 c. 56.

1965 c. 59.

(3) An agreement to which this paragraph applies may only be made with the approval of the Secretary of State and the terms of any such agreement shall be approved by him.



(4) The Secretary of State's approval, both to the making and to the terms of any such agreement, may be given either generally to local authorities or new town corporations or to any local authority or description of local authority or any new town corporation or description of new town corporation or in any particular case, and may be given unconditionally or subject to any conditions. SCH. 1

(5) Without prejudice to any power to let land conferred on a local authority or new town corporation by any enactment, the terms of an agreement to which this paragraph applies may include terms providing for the letting of land to the housing co-operative by the local authority or new town corporation.

(6) A housing association which is registered under Part II of the Housing Act 1974 shall not be entitled to a grant under Part III of that Act in respect of land for the time being comprised in an agreement to which this paragraph applies. 1974 c. 44.

#### *Superseded subsidies*

10. For the year 1975-76 or for a later year none of the following subsidies shall be payable under the Housing Finance Act 1972, namely— 1972 c. 47.

- (a) the residual subsidy ;
- (b) the transition subsidy ;
- (c) the rising costs subsidy ;
- (d) the operational deficit subsidy ;
- (e) the rent rebate subsidy ; and
- (f) the town development subsidy.

#### *Transition to new system*

11.—(1) Except to the extent, if any, that the Secretary of State may otherwise determine, any reduction in the net income falling to be credited to a local authority's Housing Revenue Account as a result of the performance of their functions under section 111 of the Housing Act 1957 (general management etc. of local authority houses), as amended by section 1 above, shall be disregarded in calculating any of the following subsidies payable to them for the year 1974-75 under the Housing Finance Act 1972, namely— 1957 c. 56.

- (a) the transition subsidy ;
- (b) the rising costs subsidy ;
- (c) the operational deficit subsidy ; and
- (d) the rent rebate subsidy,

and in calculating the rate fund contributions associated with those subsidies.

(2) A determination under this paragraph may relate to an individual subsidy or to the rate fund contribution associated with an individual subsidy.

(3) Where—

- (a) for a year earlier than the year 1975-76 any amount was required to be credited or debited to the Housing Revenue Account of a local authority ; and

**SCH. 1**

(b) that requirement was met by taking in the first instance an estimate of the amount ; and

(c) the account has not been finally adjusted in respect of that amount before the year 1975-76,

such adjustments as are necessary shall be made in the account for a year later than the year 1974-75 when the amount is more accurately known, or is finally ascertained.

*General administration of new system*

12.—(1) Any subsidy under this Act shall be payable by the Secretary of State at such times and in such manner as the Treasury may direct, and subject to such conditions as to records, certificates, audit or otherwise as the Secretary of State may, with the approval of the Treasury, impose.

(2) It is hereby declared that the power of giving directions conferred on the Treasury by sub-paragraph (1) above includes power to vary or revoke directions given under that sub-paragraph.

(3) Without prejudice to the generality of sub-paragraph (1) above, the making of any such payment shall be subject to the making of a claim for it in such form and containing such particulars as the Secretary of State may from time to time determine.

(4) The amount for any year—

(a) of any element of housing subsidy payable to a local authority or new town corporation, and

(b) of any other subsidy payable to such an authority or corporation under this Act,

shall be calculated to the nearest pound, by disregarding an odd amount of £0.50, or less, and by treating an odd amount exceeding £0.50 as a whole pound.

(5) Without prejudice to section 15(7) above, any provision of this Act relating to subsidy for the Commission shall have effect, in relation to each of the Commission's towns, as if in relation to each town the Commission were a different body.

*Amendment of section 105 of Housing Finance Act 1972*

1972 c. 47.

13.—(1) For section 105(3) of the Housing Finance Act 1972 (power to direct that Part I of that Act shall apply to a housing authority's dwellings subject to modifications) there shall be substituted the following subsection:—

“(3) The Secretary of State may direct that Part I of this Act shall apply to a housing authority subject to such modifications as are specified in the direction, being modifications which do not increase all or any of the sums payable by the Secretary of State to the authority under the said Part I.”

(2) The substitution of the subsection set out in sub-paragraph (1) above for section 105(3) of the Housing Finance Act 1972, as originally enacted, shall not affect the validity of any direction under

that subsection, and any such direction shall continue in force and have effect as if made under the substituted subsection. SCH. 1

PART II

RENT REFUNDS

14.—(1) Where—

(a) a rent has been determined under section 56 of the Housing Finance Act 1972 for a dwelling which is within a local authority's Housing Revenue Account or a new town corporation's housing account, or

(b) there has not been such a determination, but a rent has been specified in a report under subsection (3) of that section,

and the rent so determined or specified is less than the rent paid for any relevant rental period, it shall be the duty of the local authority or new town corporation to repay any amount not previously repaid (in this Part of this Schedule referred to as "excess rent") by which the rent paid for any such period exceeded the amount so determined or specified (in this Part of this Schedule referred to as "the proper rent").

(2) In sub-paragraph (1) above "relevant rental period" means—

(a) where sub-paragraph (1)(a) applies, a rental period which ended on or after 1st October 1971 but began before the determination of a rent under section 56 of the Housing Finance Act 1972, and

(b) where sub-paragraph (1)(b) above applies, a rental period which ended on or after 1st October 1971 but began before the coming into force of this Part of this Schedule.

15.—(1) Regulations may authorise or require local authorities and new town corporations to make refunds of rent paid for any relevant rental period in circumstances specified in the regulations as analogous to those mentioned in paragraph 14 above.

(2) In sub-paragraph (1) above "relevant rental period" means a rental period which ended on or after 1st October 1971 but began before the coming into force of this Part of this Schedule.

(3) The regulations may provide for the method of determining a person's entitlement to a refund, the amount to which a person is entitled and any question as to either entitlement or amount.

(4) The regulations may authorise a local authority or new town corporation to consult, in connection with the determination of any such question as is mentioned in sub-paragraph (3) above, the president of the panel drawn up under Schedule 5 to the Rent Act 1968 (panels for the constitution of rent assessment committees) for any area in which there is situated a dwelling to which the determination will relate. 1968 c. 23.

(5) The regulations may also—

(a) authorise the local authority or new town corporation, in the case of the president's absence or incapacity, to consult

SCH. 1

the vice-president or, as the case may be, one of the vice-presidents of the panel ; and

- (b) authorise the president or any such vice-president to consult, with regard to any matter submitted to him by an authority or corporation in pursuance of the regulations, any of the panel's other members and any of the panel's staff.

(6) The regulations—

- (a) may apply the provisions of paragraphs 16 to 21 below, with such modifications and exceptions as the Secretary of State considers appropriate, to any case for which the regulations provide ; and

(b) may contain supplemental or incidental provisions.

(7) The regulations may be made to apply to any specified description of local authorities or new town corporations or to any specified description of dwellings, and, in the case of regulations applying to the Commission, may apply separately, in relation to each of the Commission's towns, as if in relation to each town the Commission were a different body.

(8) Regulations under this paragraph shall be subject to annulment in pursuance of a resolution of either House of Parliament.

16. Excess rent shall be recoverable from a local authority or new town corporation by the tenant who paid it, whether or not he is still the tenant.

17. Where the excess rent was paid under a tenancy the terms of which (other than terms as to rent) are different from the terms of the tenancy for which the proper rent is determined or specified, the amount of the excess rent shall be adjusted to reflect the difference.

18. Where a rent rebate was granted to the tenant for any rental period, and if he paid no more than the proper rent, with any adjustment under paragraph 17 above, his rebate would have been less, the difference between the rebates shall be deducted from the amount arrived at under paragraph 14 (and, where relevant, paragraph 17) above ; and where this paragraph requires the deduction of one amount from another, but the amount to be deducted is the greater, the two amounts shall be taken to cancel each other out.

19. If a person entitled to recover excess rent is not the tenant on the date when the proper rent is determined or specified, the local authority or new town corporation shall take all reasonable steps to trace him or his personal representatives, and to refund what is due.

20. If the authority or corporation receive a statutory declaration that the person entitled to recover any excess rent has died and that a person specified in the declaration is entitled to it under his will or intestacy, together with satisfactory evidence of the death, they may discharge their liability under the foregoing paragraphs by paying the excess rent to that person, but such payment shall not prejudice any right of recourse against him which is vested in any other person.

21. No proceedings shall be instituted to recover excess rent after the expiry of three years beginning with the date on which the proper rent was determined or specified.

PART III

SCH. 1

PROVISIONS RELATING TO CERTAIN HOUSING ASSOCIATIONS

22.—(1) The local authority for any area in which there are dwellings provided by a housing association to which at the passing of this Act an order under section 80 of the Housing Finance Act 1972 (power to apply to certain housing associations provisions of Act relating to local authorities) applies shall have the same powers and be under the same duties in relation to the determination of rents for those dwellings as are conferred or imposed, in relation to dwellings provided by the authority themselves, by sections 111 and 113 of the Housing Act 1957, as amended by section 1 above.

1972 c. 47.  
1957 c. 56.

(2) Subject to sub-paragraph (3) below, it shall be the duty of the association to charge any rent determined by the local authority under this paragraph.

(3) So long as any order under section 11 of the Counter-Inflation Act 1973 relating to rents of such a housing association is in force, nothing in sub-paragraph (2) above shall authorise the charging of any rent which would not be authorised by the order.

(4) In relation to the determination of rents under sub-paragraph (1) above, a local authority shall have the same powers and be under the same duties in relation to any separate account of income and expenditure in their area which an order under the said section 80 requires such an association to keep as are conferred or imposed on them in relation to their Housing Revenue Account by section 1(3) of this Act.

23.—(1) An order may provide for the application to any such housing association, subject to such exceptions and modifications as may be prescribed—

(a) of sections 2, 3 and 11 above, and Parts I and II of this Schedule, and

(b) of paragraphs 8, 10 and 14(2) of Schedule 1 to the Housing Finance Act 1972 (Housing Revenue Account),

and an order which provides for the application of paragraph 9 above to any such association may provide that paragraph 22 above shall have effect in relation to the association subject to such exceptions and modifications as may be prescribed.

(2) Such an order shall be subject to annulment in pursuance of a resolution of either House of Parliament.

(3) Section 80 of the Housing Finance Act 1972 is repealed, but its repeal shall not affect the validity of any order under it, and any such order shall accordingly continue in force, subject to sub-paragraph (4) below.

(4) An order which is continued in force by sub-paragraph (3) above may be varied or revoked by an order under this paragraph.

(5) The power of variation conferred by sub-paragraph (4) above includes power to make any provision which could have been made by an order under section 80 of the Housing Finance Act 1972.

Section 7.

## SCHEDULE 2

## PHASING OF RENT INCREASES

*Interpretation*

## 1.—(1) In this Schedule—

“noted amount” means an amount noted under paragraph 2(1) below ;

“period of delay” means, subject to sub-paragraph (2) below, a period of two years beginning with the date of registration of a rent, whether before or after the coming into force of section 7 above ;

“permitted increase” means the amount by which the rent for any rental period may be increased ;

“previous rent limit” means, subject to sub-paragraphs (3) and (4) below, the amount which at the date of registration was recoverable by way of rent or would have been so recoverable upon service of a notice or notices of increase ;

“rental period” means a rental period beginning during the period of delay and after the coming into force of this Schedule ;

“service element” means any amount calculated under paragraph 2 below ;

“services” means services provided by the landlord or a superior landlord ;

“specified sum” means £0.40 per week for a rental period which begins during the first year of the period of delay and £0.80 per week for a rental period which begins during the second year.

(2) In the case of a rent registered on or after 8th March 1974 but before the coming into force of section 7 above, the period of delay begins on the date on which that section comes into force.

1968 c. 23. (3) Where the rent includes an amount payable in respect of rates, the previous rent limit shall be decreased by the amount so payable, ascertained in accordance with Schedule 4 to the Rent Act 1968.

1973 c. 9. (4) Where the rent under a tenancy was rendered partly irrecoverable by an order under section 11 of the Counter-Inflation Act 1973, the previous rent limit is an amount equal to the part of the rent which was recoverable immediately before the coming into force of this Schedule.

(5) An order may substitute for the specified sum, in relation to the first year of the period of delay or the second, or to the whole period, a sum other than the sum mentioned in sub-paragraph (1) above.

(6) An order under sub-paragraph (5) above shall be subject to annulment in pursuance of a resolution of either House of Parliament.

*Service element*

SCH. 2

2.—(1) Where—

- (a) the registered rent includes a payment in respect of services, and
- (b) the rent is not registered as a variable rent in accordance with section 47(4) of the Rent Act 1968, but 1968 c. 23.
- (c) not less than 5 per cent. of the amount of the registered rent is in the opinion of the rent officer or rent assessment committee fairly attributable to the services,

the amount so attributable shall be noted in the register.

(2) In the cases mentioned in the first column of the Table below, the amount of the service element shall be calculated as specified in the second column.

TABLE  
CALCULATION OF SERVICE ELEMENT

<i>Case</i>	<i>Service element</i>
<i>Case A.</i> A specified amount or proportion was in the previous rent limit attributable to the provision of services, and came to less than the noted amount.	The service element is the difference between the amount or proportion and the noted amount.
<i>Case B.</i> No amount or proportion attributable to the provision of services is specified, but an amount less than the noted amount appears to the rent officer or rent assessment committee to have been attributable to such provision.	The service element is the difference between— (a) an amount bearing to the previous rent limit the same proportion as the noted amount bears to the registered rent, and (b) the noted amount.
<i>Case C.</i> No amount appears to the rent officer or rent assessment committee to have been attributable in the previous rent limit to the provision of services.	The service element is the noted amount.

(3) The amount of the service element shall be recorded in the register, and in Case C above may be recorded by adding to the note under sub-paragraph (1) above a statement that the noted amount is the service element.

*General formulae for calculating increases in rent*

3.—(1) Subject to sub-paragraph (4) below, the permitted increase is an increase to an amount calculated in accordance with the formula set out in sub-paragraph (2) or (3) below, where PRL is the previous rent limit, SE is the service element, RR is the registered rent and SS is the specified sum.

SCH. 2

(2) The permitted increase for a rental period which begins during the first year of the period of delay is an increase to the greater of the following amounts namely—

- (a)  $PRL + SE + \frac{1}{3} [RR - (PRL + SE)]$  ;
- (b)  $PRL + SE + SS$ .

(3) The permitted increase for a rental period which begins during the second year of the period of delay is an increase to the greater of the following amounts, namely—

- (a)  $PRL + SE + \frac{2}{3} [RR - (PRL + SE)]$  ;
- (b)  $PRL + SE + SS$ .

(4) The maximum permitted increase by virtue of this Schedule is an increase to the registered rent.

*Subsequent registrations*

4.—(1) Where the registration of the rent is in a period of delay beginning with an earlier registration—

- (a) from the date of the registration the limitation under the period of delay beginning with the earlier registration shall cease to apply ; and
- (b) a fresh period of delay shall begin with the later registration.

(2) This Schedule shall apply in relation to any such case as if the previous rent limit were the aggregate of the limit at the date of the earlier registration and any addition permitted under this Schedule in the portion of the earlier period of delay which elapsed before the later registration.

*Amounts to be noted on certificate of fair rent*

5. Where the rent specified in a certificate of fair rent includes a payment in respect of services and the amount which in the opinion of the rent officer or rent assessment committee is fairly attributable to the provision of the services is not less than 5 per cent. of the amount of the rent, then, if the applicant so requests, the amount so attributable shall be noted in the certificate of fair rent together with the amount of the service element.

*General*

6. The amount of any service element or of any amount sought to be noted in the register or in the certificate of fair rent in pursuance of this Schedule shall be included among the matters with respect to which representations may be made or consultations are to be held or notices given under Schedule 6 or Schedule 7 to the Rent Act 1968.

1968 c. 23.

7. In ascertaining for the purposes of this Schedule whether there is any difference between amounts, or what that difference is, such adjustments shall be made as may be necessary to take account of periods of different lengths ; and for that purpose a month shall be treated as one-twelfth and a week as one-fifty-second of a year.



8.—(1) Where a registration takes effect from a date earlier than the date of registration, references in this Schedule to the date of registration shall nonetheless be references to the later date. SCH. 2

(2) Where a rent determined by a rent assessment committee is registered in substitution for a rent determined by a rent officer, the preceding provisions of this Schedule shall have effect as if only the rent determined by the rent assessment committee had been registered ; but the date of registration shall be deemed for the purposes of this Schedule (but not for the purposes of section 22(3) of the Rent Act 1968) to be the date on which the rent determined by the rent officer was registered. 1968 c. 23.

*Consequential modifications and amendments of enactments*

9.—(1) Where any provision of this Schedule imposes a rent limit for a statutory period in the period of delay, section 22(2) of the Rent Act 1968 shall have effect as if for references to the registered rent there were substituted references to that rent limit.

(2) In subsection (3)(a) of section 47 of that Act (amounts to be registered as rent) the reference to section 20(2) of that Act shall be construed in relation to any such contractual period as is mentioned in paragraph (b) of section 7(1) above, as a reference to that paragraph.

10. The power to make regulations under section 50 of the Rent Act 1968 for the purposes of Part IV of that Act shall extend to section 7 above and this Schedule.

11. At the end of paragraph 3 of Schedule 6 to the Housing Finance Act 1972 (which defines the previous limit for the purposes of that Schedule) there shall be added:— 1972 c. 47.

“(3) In any case where Schedule 2 to the Housing Rents and Subsidies Act 1975 had effect, but has ceased to have effect by reason of the registration of a new rent after an improvement with respect to which a grant under Part I of the Housing Act 1969 or Part VII of the Housing Act 1974 is payable or has been paid, this Schedule shall apply as if the previous rent limit were the aggregate of the limit at the date of the earlier registration and any addition permitted under Schedule 2 to the Housing Rents and Subsidies Act 1975 in the portion of the earlier period of delay which elapsed before the later registration.”.

12. In Part I of the Schedule to the Fire Precautions Act 1971, in paragraph 3(1) (increases of rent where landlord incurs expense by reason of works to satisfy safety requirements) any reference in paragraph (c) to Schedule 6 to the Housing Finance Act 1972 shall include a reference to this Schedule. 1971 c. 40.

SCHEDULE 3

Section 8.

DISREGARD OF AMENITIES

1. An application under section 8 above must be in the prescribed form and contain the prescribed particulars in addition to the rent which it is sought to register.

## SCH. 3

1968 c. 23.

2. Any such application shall be made to the rent officer.
3. Subject to paragraphs 4 and 5 below—
  - (a) in any case where the registered rent was determined or confirmed by the rent officer without a reference to a rent assessment committee, Part I of Schedule 6 to the Rent Act 1968 shall have effect with respect to the procedure to be followed on any such application, and
  - (b) in any case where there was a reference to a rent assessment committee under paragraph 6(1) of the said Schedule 6, it shall be the rent officer's duty to refer the application to a rent assessment committee, and paragraphs 7 to 9 of the said Schedule shall have effect in relation to the procedure to be followed as they have effect in relation to a matter referred to a committee under the said paragraph 6(1).
4. In the application of Part I of Schedule 6 to the Rent Act 1968 to any case such as is mentioned in paragraph 3(a) above, there shall be omitted from paragraph 5 of that Schedule—
  - (a) the words “ as the case may require ”, and
  - (b) paragraph (b) and the word “ or ” immediately preceding it.
5. In the application of paragraphs 7 to 9 of the said Schedule to any case such as is mentioned in paragraph 3(b) above, paragraph 9(1)(a) shall be omitted.
6. If it appears to the rent officer or, as the case may be, the rent assessment committee, that the determination or confirmation of the rent took account of a matter which would have fallen to be disregarded by virtue of section 46(3)(bb) of the Rent Act 1968 if that provision had been in force, it shall be the duty of the rent officer or the committee to determine what would have been the fair rent if that provision had been in force ; and a rent assessment committee shall be under a corresponding duty on a reference to them under paragraph 6 of Schedule 6 to that Act, as applied by paragraph 3(a) above.
7. Section 44(4) of the Rent Act 1968 (which defines the relevant date for the purpose of determining the period that must elapse before an application for the registration of a different rent can be entertained) shall have effect, where a rent is registered under this Schedule, as if the following paragraph were inserted after paragraph (a):—
  - “(aa) where on an application under section 8 of the Housing Rents and Subsidies Act 1975 a rent is substituted for the rent previously registered, the date as from which the substituted rent takes effect ; and ”.
8. Subsection (1) of section 48 of the Rent Act 1968 (effect of registration of rent) shall have effect in any case where the application for registration was made under section 8 above as if there were added at the end the words “ except where, on an application under section 8 of the Housing Rents and Subsidies Act 1975, a new rent is substituted for the rent previously registered ; and in that case the

registration shall take effect as from the date as from which the registration of the rent for which the new registered rent is substituted took effect”.

SCH. 3

9. The provisions of this Schedule shall apply in relation to a rent notwithstanding that the registration of that rent has ceased to have effect under subsection (2) of the said section 48, by reason of a subsequent registration ; and the register shall be amended to show the rent determined or confirmed under this Schedule.

10. The following provisions of the Rent Act 1968, namely— 1968 c. 23.

- section 20(2) (contractual rent limit) ;
- section 22(2) (limits of rent during statutory periods) ;
- section 33 (recovery from landlord of sums paid in excess of recoverable rent) ; and
- section 48(3) (validation of certain notices of increase) ;

shall have effect in relation to rent determined or confirmed in pursuance of this Schedule.

11. The power to make regulations under section 50 of the Rent Act 1968 for the purposes of Part IV of that Act shall extend to this Schedule.

SCHEDULE 4

Section 10.

PROVISIONS SUPPLEMENTARY TO SECTION 10

1. In the Rent Act 1968—

- (a) sections 53(2) (procedure for increasing rents) and 56(4) (date to be specified in notice of increase) shall have effect as if any reference in them to an increase of rent included a reference to an increase of rent by virtue of section 10 above ;
- (b) section 59 (tenant’s right to challenge amount of expenditure) shall apply in relation to expenditure on repairs as it applies in relation to expenditure on improvements, but—
  - (i) with the substitution for the reference in subsection (2)(a) to section 57(1)(a) of a reference to section 10(7) above ; and
  - (ii) in its application to any case where the repairs were carried out in pursuance of a notice under section 9 of the Housing Act 1957 (repairs notices), with the omission from subsection (1) of the words “that the improvement in question was unnecessary or” ; and

1957 c. 56.

- (c) the power to make regulations under section 66 for the purposes of Part V of the Act shall extend to section 10 above.

SCH. 4  
1968 c. 23.

2. In any case to which section 10 above applies, Part II of Schedule 9 to the Rent Act 1968 (abatement for disrepair) shall have effect as follows, namely—

- (a) the reference to a notice of increase in paragraph 7(1) shall not include a notice of increase served by virtue of paragraph 1 above ; and
- (b) the amount of the rent limit shall be increased by any amount authorised under section 10 above.

3. In a case to which section 10 above applies, upon the cancellation of a certificate of disrepair, the rent limit for a rental period beginning after the cancellation shall be the greater of the following amounts, namely—

- (a) an amount calculated under section 52 of the Rent Act 1968 (normal calculation of rent limit) ; and
- (b) an amount calculated under that section as if subsection (1)(a) required the multiplication of the 1956 gross value of the dwelling by the reduced factor specified in paragraph 7(2) of Schedule 9 to the Act and the addition to the figure arrived at of any increase permitted under section 10 above.

4. The power of the Lord Chancellor under section 106 of the Rent Act 1968 to make rules and give directions for the purpose of giving effect to certain provisions of that Act shall extend to the provisions of section 10 above.

5. Where an offence under section 10(14) above which has been committed by a body corporate is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, a director, manager, secretary or other similar officer of the body corporate, or any person who was purporting to act in any such capacity, he, as well as the body corporate, shall be guilty of that offence and be liable to be proceeded against and punished accordingly.

6. Where the affairs of a body corporate are managed by its members, paragraph 5 above shall apply in relation to the acts and defaults of a member in connection with his functions of management as if he were a director of the body corporate.

Section 17.

#### SCHEDULE 5

##### MINOR AND CONSEQUENTIAL AMENDMENTS

##### *Rent Act 1968*

1. The following subsection shall be added at the end of section 5 of the Rent Act 1968 (cases excluded from protected or statutory tenancy):—

“(7) A tenancy shall not be a protected tenancy at any time when the interest of the landlord under that tenancy belongs to a housing co-operative, as defined in paragraph 9 of Schedule 1 to the Housing Rents and Subsidies Act 1975 (housing subsidy where local authority housing functions are exercised by such co-operatives) and the dwelling-house is comprised in an agreement to which that paragraph applies.”.

2. The following paragraph shall be added after paragraph 9 of Schedule 5 to that Act (rent assessment committees):— SCH. 5

“ 10. Any reference to remuneration, salaries or allowances in the foregoing provisions of this Schedule includes a reference to remuneration or, as the case may be, salaries or allowances, in respect of functions conferred by regulations under paragraph 15 of Schedule 1 to the Housing Rents and Subsidies Act 1975 ; and the reference to expenses in paragraph 9(c) above includes a reference to expenses incurred in the discharge of such functions.”.

*Housing Finance Act 1972*

3. After section 19(6) of the Housing Finance Act 1972 (rent allowances) there shall be inserted the following subsection:— 1972 c. 47.

“(6A) A person is also a private tenant if he occupies a dwelling let to him by a housing co-operative, as defined in paragraph 9 of Schedule 1 to the Housing Rents and Subsidies Act 1975 (housing subsidy where local authority housing functions are exercised by such co-operative) and his tenancy would be a protected tenancy but for section 5(7) of the Rent Act 1968.”.

4. In section 25(2)(c) of that Act (which was added by section 11(7) of the Rent Act 1974) the words “ in the case of an allowance ” shall cease to have effect. 1974 c. 51.

5.—(1) In section 26(1) of that Act (interpretation of Part II) the following definitions shall be added after the definition of “ allowance scheme ”:—

“ almshouse accommodation ” means accommodation in an almshouse provided by an almshouse charity ;

“ almshouse charity ” means a housing association which is either a charity of which particulars are entered in the register of charities established under section 4 of the Charities Act 1960 or an exempt charity ;

“ almshouse contribution ” means a contribution—

(i) which is payable to an almshouse charity by a person provided with almshouse accommodation, and

(ii) which does not exceed the maximum contribution that the Charity Commissioners have from time to time authorised or approved for the almshouse charity as a contribution towards the cost of maintaining the charity’s almshouses and essential services in them ;.

(2) The following definition shall be inserted in that subsection after the definition of “ authority ”:—

“ exempt charity ” has the same meaning as in the Charities Act 1960 ;.

SCH. 5

6. Sections 95 to 99 of that Act (which confer powers on the Secretary of State in cases of default by a local authority and in particular enable him to appoint a Housing Commissioner and to reduce, suspend and discontinue housing subsidies) are repealed.

7.—(1) For section 103 of that Act (which makes special provision for the application to the Isles of Scilly of enactments relating to housing) there shall be substituted the following section:—

“Isles of Scilly

**103.**—(1) The Secretary of State may by order direct—

- (a) that any enactment to which this section applies shall extend to the Isles of Scilly; and
- (b) that any enactment to which this section applies and which extends to the Isles of Scilly (whether by virtue of the order or of any previous order under this section or otherwise) shall have effect, in its application to the Isles of Scilly, subject to such exceptions, adaptations and modifications as may be specified in the order.

(2) Subject to subsection (3) below, the enactments to which this section applies are—

- (a) the Housing Acts 1957 to 1975;
- (b) any other enactment relating to housing and contained in an Act passed before the Housing Rents and Subsidies Act 1975; and
- (c) any enactment which may be cited together with the Housing Acts 1957 to 1975.

(3) This section does not apply—

- (a) to any provision contained in Part III or IV of this Act;
- (b) to any provision of Part IX of this Act if and so far as that provision of the said Part IX relates to controlled or regulated tenancies or to the Rent Act 1968;
- (c) to section 126 of the Housing Act 1974 (enforceability of certain covenants in agreements relating to a development of land);
- (d) to the following provisions of the Housing Rents and Subsidies Act 1975, namely—
  - section 7 and Schedule 2 (phasing of rent increases for private sector housing);
  - section 8 and Schedule 3 (certain amenities to be disregarded in determining fair rent);
  - section 9 (termination of decontrol of tenancies by reference to rateable value);
  - section 10 and Schedule 4 (increases of rent under controlled tenancy permitted towards cost of repairs);
  - section 11 (reserve power to limit rents),

together with section 17(5), so far as it relates to the repeals contained in Part III of Schedule 6.

(4) An order under this section—

SCH. 5

- (a) shall be made by statutory instrument subject to annulment in pursuance of a resolution of either House of Parliament ;
- (b) may contain such incidental and consequential provisions, including provisions conferring powers or imposing duties on the Council of the Isles of Scilly, as the Secretary of State thinks necessary ; and
- (c) may be varied or revoked by a subsequent order under this section.”.

(2) The substitution of the provisions set out in sub-paragraph (1) above for section 103 of the Housing Finance Act 1972, as originally enacted, shall not affect the validity of any order under that section or any enactment repealed by it, and any such order shall continue in force and have effect as if made under the substituted provisions and may be varied or revoked in accordance with them. 1972 c. 47.

8.—(1) Schedule 1 to that Act (Housing Revenue Account) shall be amended, as respects the year 1975-76 and later years, in accordance with this paragraph.

(2) In paragraph 1(1)(a) after the word “exclusive”, in the first place where it occurs, there shall be inserted the words “except in the case of lodging-houses and hostels”.

(3) For paragraph 1(1)(c) there shall be substituted—

“(c) any of the following subsidies under the Housing Rents and Subsidies Act 1975 payable to the local authority for that year, namely—

- (i) housing subsidy ;
- (ii) modified rent rebate subsidy ;
- (iii) expanding towns subsidy ;”.

(4) In paragraph 3—

(a) at the end of sub-paragraph (1)(a) there shall be added :—  
“(iv) the improvement of houses and other property within the account,”

(b) for sub-paragraph (1)(b) there shall be substituted—

“(b) subject to sub-paragraph (2) below, rents, rates, taxes and other charges which the local authority are liable to pay for that year in respect of houses and other property within the account,” ;

(c) for sub-paragraph (2) there shall be substituted—

“(2) Sub-paragraph (1)(b) above shall not include any rates or charges payable in respect of occupied houses within the account other than owner’s drainage rates within the meaning of section 24(2)(a) of the Land Drainage Act 1930.

(3) In sub-paragraph (2) above “houses” does not include lodging-houses or hostels.

SCH. 5

(4) The houses to which sub-paragraph (2) above relates do not include houses occupied, pursuant to a contract of service, by persons employed by the local authority on the maintenance, supervision and management of houses and other property within the account.”.

(5) For paragraph 6 there shall be substituted the following paragraph:—

“ 6. There shall be credited to the account—

- (a) any rate fund contribution under section 3 of the Housing Rents and Subsidies Act 1975 ;
- (b) any rate fund contribution under this Part of this Schedule ; and
- (c) any rate fund contribution under paragraph 14 below.”.

(6) For paragraphs 14 to 16 there shall be substituted the following paragraph:—

*“ Credit balances and deficits*

14.—(1) If at the end of any year a credit balance is shown in the account, it shall be carried forward and credited to the account for the next following year.

(2) If for any year a deficit is shown in the account, the local authority shall carry to the credit of the account a rate fund contribution of an amount equal to the deficit.

(3) The local authority may also carry to the credit of the account, in addition to any amount required by sub-paragraph (2) above, such further amounts, if any, as they may think fit.”.

(7) In paragraph 22(1) after the word “ Schedule ” there shall be inserted the words “ or for any of the purposes of the Housing Rents and Subsidies Act 1975 ”.

*Land Compensation Act 1973*

1973 c. 26.

9. In section 29 of the Land Compensation Act 1973 (by virtue of which a person displaced from a dwelling in consequence of the acceptance of certain undertakings relating to housing may receive a payment)—

(a) for paragraph (d) of subsection (1) there shall be substituted the following paragraph:—

“ (d) the carrying out of any improvement to the dwelling or of redevelopment on the land by a housing association which has previously acquired the land and at the date of the displacement either is registered or falls within section 18(1)(a) of the Housing Act 1974 (housing associations specified in orders under section 80 of the Housing Finance Act 1972 or paragraph 23 of Schedule 1 to the Housing Rents and Subsidies Act 1975) ;”;

(b) at the end of subsection (2) there shall be added (but not as part of paragraph (b)) the words “ and in a case within



subsection (1)(d) above, unless the displacement occurred on or after 31st July 1974 (on which date the Housing Act 1974 was passed)”;

SCH. 5

(c) at the end of subsection (7)(c) there shall be inserted the words “or section 87 of the Housing Act 1974”.

10. In section 37 of that Act (disturbance payments for persons without compensatable interests)—

(a) for paragraph (d) of subsection (1) there shall be substituted the following paragraph:—

“(d) the carrying out of any improvement to a house or building on the land or of redevelopment on the land by a housing association which has previously acquired the land and at the date of the displacement either is registered or falls within section 18(1)(a) of the Housing Act 1974 (housing associations specified in orders under section 80 of the Housing Finance Act 1972 or paragraph 23 of Schedule 1 to the Housing Rents and Subsidies Act 1975);”;

(b) at the end of subsection (2)(c) there shall be added the following paragraph:—

“(d) in a case within subsection (1)(d) above, unless the displacement occurred on or after 31st July 1974 (on which date the Housing Act 1974 was passed).”.

11. In section 87(1) of that Act (general interpretation) the following definitions shall be inserted after the definition of “dwelling”:

“housing association” has the meaning assigned to it by section 189(1) of the Housing Act 1957;

“registered”, in relation to a housing association, means registered in the register of housing associations established under section 13 of the Housing Act 1974 ;

#### *Housing Act 1974*

12. In subsection (5)(a) of section 7 of the Housing Act 1974 1974 c. 44. (borrowing powers of Housing Corporation) for the words “the day appointed for the coming into operation of this Part of this Act” there shall be substituted the words “18th September 1974 (on which date the said section 9 was repealed)”.

13. At the end of section 17 of that Act (loans and grants limited to registered housing associations) there shall be added the following subsection:—

“(5) Nothing in subsection (1)(b) above shall prevent a local authority, including a county council, from making loans under section 119(3)(a) of the Housing Act 1957 to an unregistered self-build society, as defined in section 12 above, for the purpose of enabling it to meet the whole or any part of any expenditure incurred or to be incurred by it in carrying out its objects.”.

14. In paragraph (a) of section 18(1) of that Act (special rules applicable to tenancies of registered and certain other housing associations) after “1972” there shall be inserted the words “or paragraph 23 of Schedule 1 to the Housing Rents and Subsidies Act 1975”.

## SCH. 5

15.—(1) The words in paragraph (a) of section 56(2) of that Act (grants for provision, improvement and repair of dwellings) from “or”, in the second place where it occurs, to “purposes” shall be omitted.

(2) For paragraph (b) of that subsection there shall be substituted the following paragraph:—

“ (b) an “intermediate grant” in respect—

(i) of works required for the improvement of a dwelling by the provision of standard amenities which it lacks (including works such as are referred to in section 65(3)(b) below); or

(ii) of works required for the provision for a dwelling for a disabled occupant of any standard amenity where an existing amenity of the same description is not readily accessible to him, by reason of his disability;”.

16.—(1) In subsection (2) of section 65 of that Act (intermediate grants) for the word “An” there shall be substituted the words “Subject to subsection (2A) below, an”.

(2) After that subsection there shall be inserted the following subsection:—

“(2A) An application for an intermediate grant in respect of a dwelling for a disabled occupant may contain, as an alternative, in relation to any of the standard amenities specified as mentioned in subsection (2)(a) above, to a statement under subsection (2)(c) above, a statement that the dwelling possesses such an amenity but that it is not or will not be readily accessible to the disabled occupant, by reason of his disability.”.

(3) In subsection (3) of that section—

(a) for the words “A local” there shall be substituted the words “Subject to subsection (4) below, a local”; and

(b) in paragraph (a), the words from “except” to “apply” shall be omitted.

(4) After that subsection there shall be inserted the following subsection:—

“(4) Where an application for an intermediate grant in respect of a dwelling for a disabled occupant contains a statement under subsection (2A) above, this section shall have effect, in relation to any amenity mentioned in that statement, as if for subsection (3) above there were substituted the following subsection:—

‘(3) A local authority shall not approve an application for an intermediate grant unless they are satisfied that any existing amenity mentioned in the statement under subsection (2A) above is not or will not be readily accessible to the disabled occupant, by reason of his disability.’”.

17. In section 76(5) of that Act (conditions to cease to have effect upon repayment of grant) for the words “the condition” there shall be substituted the words “all conditions of the grant”.

18.—(1) After subsection (2) of section 79 of that Act (payment of improvement contributions to housing authorities) there shall be inserted the following subsection:—

SCH. 5

“(2A) No payment in respect of a relevant contribution shall be made after 31st March 1975 in respect—

(a) of any dwelling falling within the Housing Revenue Account of the council of a district or London borough, the Greater London Council or the Common Council of the City of London, or

(b) of any dwelling falling within the housing account of a development corporation established under the New Towns Act 1965 or a housing account kept by the Commission for the New Towns for one of their towns,

unless a payment in respect of such a contribution has been made in respect of it on or before that date; and in this subsection “relevant contribution” means an improvement contribution, a contribution under section 18 or 19 of the Housing Act 1969 or a similar contribution under any enactment repealed by that Act or under any enactment which was replaced by an enactment so repealed.”.

(2) Subsection (4) of that section shall have effect with the addition at the end of the words “or such other amount as the Secretary of State may by order specify”.

(3) After that subsection there shall be inserted the following subsection:—

“(4A) An order under subsection (4) above may make different provision in relation to different circumstances, and a statutory instrument containing such an order shall be subject to annulment in pursuance of a resolution of the Commons House of Parliament.”.

19.—(1) In the definition of “improvement” in section 84 of that Act (interpretation of Part VII) after the word “enlargement” there shall be inserted the words “and in relation to a dwelling for a disabled occupant, includes the doing of works required for making it suitable for his accommodation, welfare or employment.”.

(2) The following definitions shall be inserted in that section in the appropriate places in alphabetical order:—

“disabled occupant” means a disabled person for whose benefit it is proposed to carry out any of the relevant works;

“disabled person” means—

(a) any person who is registered in pursuance of arrangements made under subsection (1) of section 29 of the National Assistance Act 1948 (handicapped persons' welfare); and

(b) any other person for whose welfare arrangements have been made under that subsection or, in the opinion of the welfare authority, might be made under it;

SCH. 5 “dwelling for a disabled occupant” means a dwelling which—

(a) is a disabled occupant’s only or main residence when an application for a grant in respect of it is made, or

(b) is likely in the opinion of the local authority to become a disabled occupant’s only or main residence not later than the expiry of a reasonable period after the completion of the relevant works ;

“welfare authority”, in relation to a dwelling for a disabled occupant, means the council which is the local authority for the purposes of the Local Authority Social Services Act 1970 for the area in which the dwelling is situated ;.

20. In section 87(3) of that Act (occupying tenant to consent to the carrying out of works) for paragraph (a) there shall be substituted the following paragraph—

“(a) that, if there is an occupying tenant—

(i) the housing arrangements are satisfactory or no housing arrangements are required, and

(ii) the undertaking incorporates the written consent of the occupying tenant signed by him to the carrying out of the works specified in the undertaking ; and”.

21. For section 114 of that Act (rehabilitation orders) there shall be substituted the following section:—

“Rehabilitation orders. 114.—(1) This section applies to any house comprised in a clearance area under Part III of the Housing Act 1957—

- (a) which has been purchased by agreement or compulsorily at any time before 2nd December 1974 under section 43 of the Housing Act 1957, or
- (b) which is subject to a compulsory purchase order—
- (i) which was made under that section at any time before 2nd December 1974, and
- (ii) which, at any time before 2nd March 1975 has been confirmed in accordance with Schedule 3 to the Housing Act 1957 ; or
- (c) which has been included in the clearance area by virtue of section 49 of the Housing Act 1957.

(2) Where any house to which this section applies—

- (a) was included in the clearance area by reason of its being unfit for human habitation, and
- (b) in the opinion of the local authority is capable of being, and ought to be, improved to the full standard,

the local authority may make and submit to the Secretary of State an order (in this section and Schedule 10 below referred to as a “rehabilitation order”) in relation to that house.

(3) In addition to applying to any house to which this section applies, a rehabilitation order may, if the local authority think fit, be made to apply to any other Part III land.

(4) Schedule 10 to this Act and, subject to paragraph 9 of that Schedule, Schedule 4 to the Housing Act 1957 shall have effect in relation to rehabilitation orders.

(5) On the effective date the local authority shall cease to be subject to any duty to demolish or secure the demolition of buildings on the land imposed by Part III of the Housing Act 1957.

(6) Where by virtue of subsection (5) above a local authority are freed from the duty to demolish or secure the demolition of a house which was included in a clearance area as being unfit for human habitation, the authority shall take such steps as are necessary—

- (a) to bring the house up to the full standard, or
- (b) where it is not vested in the authority, to ensure that it is brought up to that standard.

(7) A local authority may accept undertakings for the purpose of subsection (6)(b) above from the owner of a house, or any other person who has or will have an interest in a house, concerning works to be carried out to bring it up to the full standard and the time within which they are to be carried out.

(8) In this section and in Schedule 10 below—  
“effective date” means the date on which a rehabilitation order becomes operative ;

“full standard” means the standard attained by a dwelling with respect to which the conditions mentioned in section 66(2) of this Act are fulfilled ;

“local authority”, in relation to land, means the authority who are the local authority for the purposes of Part III of the Housing Act 1957 in relation to that land ; and

“Part III land” means—

(a) land in the clearance area, except land subject to a clearance order which has been made and confirmed by virtue of section 44 of the Housing Act 1957, or

(b) land surrounded by or adjoining that area for whose purchase under section 43(2) of the Housing Act 1957 a resolution has been passed (whether or not it has been so purchased), or

SCH. 5

(c) land to which the provisions of Part III of that Act apply by virtue of section 49 ;

and "house" has the same meaning for the purposes of this section and that Schedule as for those of the said Part III."

22. In section 115 of that Act (compensation) for subsection (5)(b) there shall be substituted the following paragraph:—

"(b) the effective date of the rehabilitation order, as defined in section 114 above,".

23. In section 119(3) of that Act (option mortgages) for the word "section" in the second place where it occurs, there shall be substituted the word "subsection".

24. In section 128(4) of that Act (orders) for the words "or 78" there shall be substituted the words "78 or 79".

25. The following Schedule shall be substituted for Schedule 10 to that Act (rehabilitation orders):—

"SCHEDULE 10  
REHABILITATION ORDERS

*Introductory*

1.—(1) In this Schedule,

"notice land" means land in relation to which a notice is required to be served under paragraph 7 below ; and

"the relevant date", in relation to any land comprised in a rehabilitation order, means the effective date or the date on which confirmation of the order was refused.

(2) The references to the Housing Act 1957 in section 178 of that Act (power to prescribe forms etc.) shall include references to this Schedule.

*General*

2. A rehabilitation order may be made and confirmed notwithstanding that the effect of the order in excluding any land from a clearance area is to sever that area into two or more separate and distinct areas ; and in any such case the provisions of Part III of the Housing Act 1957 relating to the effect of a compulsory purchase order when confirmed, and to the proceedings to be taken after confirmation of such an order, shall apply as if those areas formed one clearance area.

3.—(1) Where a local authority have made a rehabilitation order they shall not until after the relevant date—

(a) serve notice to treat under section 5 of the Compulsory Purchase Act 1965 in respect of any land included in a compulsory purchase order made and confirmed by virtue of section 43 of the Housing Act 1957 which also includes notice land ; or

(b) demolish, without the consent of the Secretary of State, any building on notice land.

(2) Where the owner of a house to which section 114 above applies and which was included in the clearance area by reason of its being unfit for human habitation requests the local authority to make a rehabilitation order in respect of the house, and the authority refuse to make an order, they shall give him in writing their reasons for so refusing.

SCH. 5

4.—(1) Where—

- (a) land included in a compulsory purchase order made and confirmed by virtue of section 43 of the Housing Act 1957 is comprised in a rehabilitation order, and
- (b) the rehabilitation order becomes operative in respect of that land, and
- (c) no interest in the land has vested in the local authority before the relevant date, and
- (d) they have not before the relevant date served a notice to treat in respect of any interest in the land under section 5 of the Compulsory Purchase Act 1965,

the compulsory purchase order shall cease to have effect in relation to that land on the relevant date, and if the land is included in a clearance area, it shall cease to be so included.

(2) On and after the effective date, in a case where subparagraph (1) above does not apply, any compulsory purchase order relating to the land and confirmed by virtue of section 43 of the Housing Act 1957 shall have effect in relation to any interest in the land which at the relevant date has not vested in the authority—

- (i) in so far as it relates to a house, as if it had been made and confirmed under Part V of the Housing Act 1957, and
- (ii) in so far as it relates to land other than a house, as if it had been made and confirmed under Part VI of the Town and Country Planning Act 1971.

(3) Where a rehabilitation order becomes operative in respect of any land and any interest in that land is vested in the local authority at the relevant date—

- (a) any such interest in a house comprised in the order shall be treated as appropriated to the purposes of Part V of the Housing Act 1957, and
- (b) any other such interest in the land so comprised shall be treated as appropriated to the purposes of Part VI of the Town and Country Planning Act 1971.

5. Where—

- (a) a rehabilitation order becomes operative in respect of any land, and
- (b) its effect is to exclude from the clearance area any land adjoining a general improvement area (within the meaning of Part II of the Housing Act 1969),

that land shall be included in the general improvement area unless the Secretary of State otherwise directs.

SCH. 5

*Procedure for making and confirming  
rehabilitation orders*

6. A rehabilitation order shall be made in the prescribed form and shall describe, by reference to a map—

- (a) the houses to which it applies and which were included in the clearance area by reason of their being unfit for human habitation, and
- (b) the other land to which it applies.

7.—(1) Before submitting a rehabilitation order to the Secretary of State the local authority, except in so far as the Secretary of State directs otherwise,—

- (a) shall publish in one or more newspapers circulating within their district a notice in the prescribed form stating that such an order has been made and describing the land to which it applies, and naming a place where a copy of the order and its accompanying map may be seen at all reasonable hours, and
- (b) shall serve on every such person as is specified in sub-paragraph (2) below a notice in the prescribed form stating—
  - (i) the effect of the rehabilitation order,
  - (ii) that it is about to be submitted to the Secretary of State for confirmation, and
  - (iii) the time within which and the manner in which objections to the order can be made.

(2) The persons mentioned in sub-paragraph (1)(b) above are—

- (a) every person on whom notice was served of the making by virtue of section 43 of the Housing Act 1957 of any compulsory purchase order which, at the date of its confirmation, included any land subsequently comprised in the rehabilitation order ;
- (b) every successor in title of such a person ;
- (c) every owner, lessee and occupier of Part III land other than a tenant for a month or a period less than a month ;
- (d) mortgagees of Part III land, so far as it is reasonably practicable to ascertain such persons ; and
- (e) every person on whom notice would have been required to be served under paragraph (c) or (d) above whose interest has been acquired under section 43 of the Housing Act 1957 since the clearance area was declared to be such an area.

(3) A notice under this paragraph shall be accompanied by a statement of the grounds on which the local authority are seeking confirmation of the rehabilitation order.

(4) A notice under this paragraph shall be served in accordance with section 169 of the Housing Act 1957.



8.—(1) If no objection is duly made by any of the persons on whom notices are required to be served under paragraph 7 above, or if all objections so made are withdrawn, the Secretary of State may confirm the order with or without modifications.

SCH. 5

(2) If any objection duly made is not withdrawn, the Secretary of State, before confirming the order, shall cause a public local inquiry to be held or afford to any person by whom an objection has been duly made and not withdrawn an opportunity of appearing before and being heard by a person appointed by the Secretary of State for the purpose.

(3) After considering any objection not withdrawn and the report of the person who held the inquiry or of the person appointed under sub-paragraph (2) above, the Secretary of State may confirm the order with or without modifications.

(4) The Secretary of State may require any person who has made an objection to state the grounds of the objection in writing, and may disregard the objection if he is satisfied that it relates exclusively to matters which can be dealt with by the tribunal by whom any compensation is to be assessed.

(5) The Secretary of State's power to modify a rehabilitation order includes power, subject to sub-paragraph (6) below, to extend to it any notice land.

(6) The Secretary of State shall not extend the application of a rehabilitation order to any land unless he has served on the following persons, namely—

- (a) the local authority who made the rehabilitation order,
- (b) every owner, lessee and occupier of that land, except a tenant for a month or a period less than a month, and
- (c) so far as it is reasonably practicable to ascertain such persons, on every mortgagee of any such land,

a notice stating the effect of his proposals, and has afforded them an opportunity to make their views known.

9. In the application of Schedule 4 to the Housing Act 1957 to rehabilitation orders, it shall have effect as if—

- (a) every reference to a compulsory purchase order included a reference to a rehabilitation order ;
- (b) every reference to the Housing Act 1957 were a reference to this Act ; and
- (c) there were added, at the end of paragraph 1, the words “and every person on whom the Secretary of State served notice under Schedule 10 to the Housing Act 1974.”.

26. In Schedule 14 to that Act, in paragraph 2(b) (transitional provision concerning loans by the Housing Corporation) for “(c)” there shall be substituted “(e)”.

Section 17.

**SCHEDULE 6**  
**REPEALS AND REVOCATIONS**  
**PART I**  
**PUBLIC SECTOR RENTS**

Chapter	Short title	Extent of repeal
5 & 6 Eliz. 2. c. 56.	The Housing Act 1957.	In section 111(1), the words from "subject" to "1972", which were added by the Housing Finance Act 1972.
1972 c. 47.	The Housing Finance Act 1972.	Parts V and VI. In Schedule 9, paragraph 3(1).

**PART II**  
**SUBSIDIES AND HOUSING REVENUE ACCOUNT**

Chapter	Short title	Extent of repeal
1972 c. 47.	The Housing Finance Act 1972.	In section 1, in subsection (1), the word "eight", in subsection (2), the word "eight", the words from the beginning of the first italic heading to the end of the entry relating to rent rebate subsidy and the entry relating to town development subsidy, subsection (3), in subsection (4), the words from the beginning to "that" and in subsection (5), the words "or new town corporations". Sections 2 to 7. Sections 9 and 10. Section 12(4)(b) and (c). Section 13. Section 15(3) and (4). In section 17(1), the definitions of "associated rate fund contribution", "base year", "model rent rebate contribution" and "withdrawal factor". In section 104(1), the definition of "model rent rebate contribution". In Schedule 1, in paragraph 3(1)(c), the word "improvement", and paragraphs 7 and 9, 11 to 13, 17 to 19 and 23. Schedule 2.

The repeals in this Part of this Schedule have effect only as respects the year 1975-76 and later years.

## PART III

SCH. 6

## TERMINATION OF DECONTROL

Chapter	Short title	Extent of repeal
1972 c. 47.	The Housing Finance Act 1972.	Sections 35 and 36. Section 37(1)(b). Section 40. Section 44(1)(b). In Schedule 6, the words "or section 35 of this Act" where they occur in paragraph 1(1)(a) and in Case A of the Table in paragraph 2.

## PART IV

## MISCELLANEOUS REPEALS

Chapter	Short title	Extent of repeal
5 & 6 Eliz. 2. c. 56.	The Housing Act 1957.	Section 79. Section 143.
1970 c. 44.	The Chronically Sick and Disabled Persons Act 1970.	In section 10, the words from "Central" to "of the" in the third place where those words occur.
1972 c. 47.	The Housing Finance Act 1972.	In section 25(2)(c), the words "in the case of an allowance." Section 80. Sections 95 to 99. Section 104(2)(b) and the word "and" immediately preceding it. In Schedule 10, paragraphs 8 and 9.
1973 c. 6.	The Furnished Lettings (Rent Allowances) Act 1973.	In Schedule 1, paragraphs 28 and 29.
1974 c. 44.	The Housing Act 1974.	In section 29(1), the words "other than associations falling within section 18(1)(b) of this Act". In section 32(1), the words "or paragraph (b)". In section 56(2)(a), the words from "or", in the second place where it occurs, to "purposes". In section 65(3)(a), the words from "except" to "apply". Section 113.

SCH. 6

Chapter	Short title	Extent of repeal
1974 c. 44— <i>cont.</i>	The Housing Act 1974 — <i>cont.</i>	In Schedule 7, paragraphs 2 and 3. In Schedule 13, in paragraph 38, in sub-paragraph (1), the words in paragraph (b) from “and at” to the end of paragraph (b), and in sub-paragraph (3) the words from “for the words” to “1974”, and paragraph 39(1)(c).

## PART V

## ORDERS REVOKED

Reference	Title	Extent of revocation
1974/380.	The Counter-Inflation (Private Sector Residential Rents) (England and Wales) Order 1974.	The whole order.
1974/1928.	The Counter-Inflation (Private Sector Residential Rents) (England and Wales) No. 2 Order 1974.	The whole order.



HER MAJESTY'S STATIONERY OFFICE

*Government Bookshops*

49 High Holborn, London WC1V 6HB  
13a Castle Street, Edinburgh EH2 3AR  
41 The Hayes, Cardiff CF1 1JW  
Brazenose Street, Manchester M60 8AS  
Southey House, Wine Street, Bristol BS1 2BQ  
258 Broad Street, Birmingham B1 2HE  
80 Chichester Street, Belfast BT1 4JY

*Government publications are also available  
through booksellers*

ISBN 0 10 540675 9