

SCHEDULES

SCHEDULE 5

HOUSING

PART I

THE HOUSING SUBSIDY

The elements of the subsidy

- 1 (1) The Board shall be entitled to the basic element of the subsidy payable under section 18 of this Act ("the subsidy") if the relevant development corporation was entitled to the basic element in the housing subsidy payable under section 2 of the Housing Rents and Subsidies Act 1975 for that corporation's qualifying year.
- (2) The Board shall, if it is entitled under sub-paragraph (1) above to the basic element of the subsidy, be entitled to that element of the subsidy for each financial year beginning on or after the relevant appointed day.
- (3) The amount of the basic element of the subsidy shall be equal to the amount of the basic element of the housing subsidy payable to the relevant development corporation for that corporation's qualifying year.
- 2 (1) The Board shall be entitled to the new capital costs element of the subsidy for any financial year beginning on or after the relevant appointed day in which there falls to be debited to the Board's housing account reckonable expenditure attributable to—
 - (a) admissible capital costs which have been incurred by the Board ; or
 - (b) costs which have been incurred by the relevant development corporation and were admissible capital costs for the purposes of the new capital costs element of the housing subsidy payable to the corporation.
- (2) The amount of the new capital costs element for any financial year shall be an amount equal to the appropriate percentage of the reckonable expenditure for that year attributable to the costs mentioned in sub-paragraph (1) above 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 the Board and debited to the Board's 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 the lease if a whole year's rent under it was debited to the housing account of the relevant development corporation for a financial year previous to the year 1975-76 and the rent under the lease becomes payable after the relevant appointed day by the Board.

Status: This is the original version (as it was originally enacted).

- (5) In this paragraph—
- " admissible capital costs " means such capital costs as the Secretary of State may determine ;
 - " 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 in an order applying to those costs ; and
 - " reckonable expenditure " means so much of the expenditure falling to be debited to the Board's housing account as the Secretary of State may determine.
- 3 (1) Subject to sub-paragraph (2) below, the Board shall be entitled to the high costs element of the subsidy for any financial year beginning on or after the relevant appointed day 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 determining what expenditure is relevant and whether it exceeds the standard level.
- (3) In making any determination for the purposes of this paragraph, the Secretary of State shall apply, as near as circumstances permit, the same principles as he applies in making a like determination for the purposes of paragraph 7 of Schedule 1 to the Housing Rents and Subsidies Act 1975 (the high costs element in the housing subsidy under that Act). .