



# Housing Associations Act 1985

## 1985 CHAPTER 69

### PART III

#### THE HOUSING CORPORATION

##### Modifications etc. (not altering text)

- C1** Pt. III (ss. 74-102) excluded (E.W.) (1.10.1996) by 1996 c. 52, s. 7, **Sch. 1 para. 15(6)**; S.I. 1996/2402, **art. 3** (subject to transitional provisions and savings in **Sch.**)

#### *Constitution and other general matters*

#### **74 The Housing Corporation.** **E+W**

- (1) This Part has effect with respect to the Housing Corporation [<sup>F1</sup>and the Secretary of State
- (1A) Each of them] is referred to in this part as “the [<sup>F2</sup>Relevant Authority]”.
- (2) The provisions of Schedule 6 have effect with respect to the constitution and proceedings of, and other matters relating to, [<sup>F3</sup>the Housing Corporation].
- [<sup>F4</sup>(3) The functions conferred by this Part in relation to registered social landlords are exercisable by the [<sup>F2</sup>Relevant Authority] in whose register they are registered.
- As to which [<sup>F2</sup>Relevant Authority] that is, see section 56 of the Housing Act 1996.]
- [<sup>F5</sup>(4) In this Part,—
- (a) in relation to land in Wales held by an unregistered housing association, “the [<sup>F2</sup>Relevant Authority]” means [<sup>F6</sup>the Secretary of State]; and
- (b) in relation to land outside Wales held by such an association, “the [<sup>F2</sup>Relevant Authority]” means the Housing Corporation.]

*Status: Point in time view as at 01/12/2001.*

*Changes to legislation: There are currently no known outstanding effects for the Housing Associations Act 1985, Part III. (See end of Document for details)*

**Extent Information**

**E1** This version of this provision extends to England and Wales only; a separate version has been created for Scotland only

**Textual Amendments**

- F1** Words in s. 74(1) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 29(2)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F2** Words in Pt. III (ss. 74-102) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 28(a)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F3** Words substituted by **Housing Act 1988 (c. 50, SIF 61)**, s. 59(2)(3)(4), **Sch. 6 Pt. III para. 31(2)**
- F4** S. 74(3) substituted (1.10.1996) by S.I. 1996/2325, **art. 5(1)**, **Sch. 2 para. 15(25)**
- F5** S. 74(4) inserted by **Housing Act 1988 (c. 50, SIF 61)**, s. 59(2)(3)(4), **Sch. 6 Pt. III para. 31(3)**
- F6** Words in s. 74(4)(a) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 29(3)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

**75 General functions of the [F7Relevant Authority]. E+W**

- (1) The [F7Relevant Authority] has the following general functions—
  - [F8(a) to facilitate the proper performance of the functions of registered social landlords;
  - (b) to maintain a register of social landlords and to exercise supervision and control over such persons;
  - (c) to promote and assist the development of self-build societies (other than registered social landlords) and to facilitate the proper performance of the functions, and to publicise the aims and principles, of such societies;]
  - (d) .....<sup>F9</sup>
  - (e) to undertake, to such extent as the [F7Relevant Authority] considers necessary, the provision (by construction, acquisition, conversion, improvement or otherwise) of dwellings for letting or for sale and of hostels, and the management of dwellings or hostels so provided.
- [F10(f) to provide on request, to such extent as the Relevant Authority considers appropriate, advice and assistance to the Audit Commission for Local Authorities and the National Health Service in England and Wales in relation to the Commission’s functions under Part I of the Local Government Act 1999 (best value).]
- (2) The [F7Relevant Authority] shall exercise its general functions subject to and in accordance with the provisions of this Act [F11and Part I of the Housing Act 1996].
- (3) Subsection (1) is without prejudice to specific functions conferred on the [F7Relevant Authority]by or under this Act [F12or Part I of the Housing Act 1996].
- (4) The [F7Relevant Authority] may do such things and enter into such transactions as are incidental to or conducive to the exercise of any of its functions, general or specific, under this Act [F12or Part I of the Housing Act 1996].
- [F13(5) .....

*Status: Point in time view as at 01/12/2001.*

*Changes to legislation: There are currently no known outstanding effects for the Housing Associations Act 1985, Part III. (See end of Document for details)*

#### Extent Information

- E2** This version of this provision extends to England and Wales only; a separate version has been created for Scotland only

#### Textual Amendments

- F7** Words in Pt. III (ss. 74-102) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 28(a)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F8** S. 75(1)(a)-(c) substituted (1.10.1996) by 1996 c. 52, s. 55(1), **Sch. 3 para. 5**; S.I. 1996/2402, **art. 3** (with transitional provisions and savings in Sch.)
- F9** Ss. 41-51, 75(1)(d) repealed by **Housing Act 1988 (c. 50, SIF 61)**, s. 140(2), **Sch. 18**
- F10** S. 75(1)(f) inserted (27.9.1999 for E. for certain purposes and 1.10.1999 for W. otherwise 27.7.2000) by 1999 c. 27, **ss. 22(7), 27(2)**; S.I. 1999/2169, art. 3(2), **Sch. 2**; S.I. 1999/2815, **art. 2**
- F11** Words in s. 75(2) inserted (1.10.1996) by S.I. 1996/2325, art. 5(1), **Sch. 2 para. 15(26)(a)**
- F12** Words in s. 75(3)(4) inserted (1.10.1996) by S.I. 1996/2325, art. 5(1), **Sch. 2 para. 15(26)(b)**
- F13** S. 75(5) repealed (2.4.2001) by 2000 c. 34, s. 9(2), **Sch. 3** (with s. 10(5)), S.I. 2001/566, **art. 2**

## 76 Directions by the Secretary of State.

- (1) The Secretary of State may give directions to the [<sup>F14</sup>Housing Corporation] as to the exercise of its functions.
- (2) A direction as to the terms of loans made under section 79 (lending powers of [<sup>F14</sup>Housing Corporation]) requires the consent of the Treasury.
- (3) Directions may be of a general or particular character and may be varied or revoked by subsequent directions.
- (4) Non-compliance with a direction does not invalidate a transaction between a person and the [<sup>F14</sup>Housing Corporation] unless the person had actual notice of the direction.

#### Textual Amendments

- F14** Words in s. 76(1)(2)(4) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 31** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

## [<sup>F15</sup>76A Realisation of value of [<sup>F16</sup>Housing Corporation's] loans portfolio.

- (1) The [<sup>F17</sup>Housing Corporation] may, and if so directed by the Secretary of State (under section 76) shall, enter into arrangements of a description approved by the Secretary of State for the purpose of realising the value of the whole or part of its loans portfolio.
- (2) The arrangements may provide for—
  - (a) the transfer of any estate or interest of the [<sup>F17</sup>Housing Corporation], or
  - (b) the creation or disposal of economic interests not involving a transfer of an estate or interest,and may extend to such incidental or ancillary matters as the [<sup>F17</sup>Housing Corporation] or the Secretary of State considers appropriate.
- (3) In this section the [<sup>F16</sup>Housing Corporation's]"loans portfolio" means the [<sup>F16</sup>Housing Corporation's] rights and obligations in relation to any loans or related securities.

*Status: Point in time view as at 01/12/2001.*

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- (4) Nothing in the terms of any loan or related transaction entered into by the <sup>[F17]</sup>Housing Corporation] shall be construed as impliedly prohibiting or restricting the <sup>[F17]</sup>Housing Corporation] from dealing with its loans portfolio in accordance with arrangements under this section.]

#### Textual Amendments

- F15** S. 76A inserted (E.W.) (1.10.1996) by 1996 c. 52, s. 55(1), **Sch. 3 para. 6**; S.I. 1996/2402, **art. 3** (with transitional provisions and savings in **Sch.**)
- F16** Words in s. 76A heading substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 32(3)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F17** Words in s. 76A(1)(2)(4) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 32(2)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

#### 77 Advisory service. **E+W+S**

- (1) The <sup>[F18]</sup>Relevant Authority] may provide an advisory service for the purpose of giving advice on legal, architectural and other technical matters to <sup>[F19]</sup>registered social landlords or unregistered housing associations] and to persons who are forming a housing association or are interested in the possibility of doing so.
- (2) The <sup>[F18]</sup>Relevant Authority] may make charges for the service.
- <sup>[F20]</sup>(3) The powers conferred on the <sup>[F18]</sup>Relevant Authority] by subsections (1) and (2) may be exercised by the Housing Corporation and <sup>[F21]</sup>the Secretary of State] acting jointly]

#### Extent Information

- E3** This version of this provision extends to England and Wales only; a separate version has been created for Scotland only

#### Textual Amendments

- F18** Words in Pt. III (ss. 74-102) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 28(a)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F19** Words in s. 77(1) substituted (1.10.1996) by S.I. 1996/2325, art. 5(1), **Sch. 2 para. 15(27)**
- F20** S. 77(3) added by **Housing Act 1988 (c. 50, SIF 61)**, s. 59(2)(3)(4), **Sch. 6 Pt. III para. 33**
- F21** Words in s. 77(3) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 33** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

#### 78 Annual report.

- (1) The <sup>[F22]</sup>Housing Corporation] shall, as soon as possible after the end of each financial year, make a report to the Secretary of State on the exercise of its functions during the year.
- (2) It shall include in the report a copy of its audited accounts and shall set out in the report any directions given to it by the Secretary of State during the year.
- (3) The Secretary of State shall lay a copy of the report before each House of Parliament.

*Status: Point in time view as at 01/12/2001.*

*Changes to legislation: There are currently no known outstanding effects for the Housing Associations Act 1985, Part III. (See end of Document for details)*

#### Textual Amendments

**F22** Words in s. 78(1) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 34** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

#### Modifications etc. (not altering text)

**C2** S. 78(1)(2) modified (1.11.1998) by 1998 c. 38, s. 142(2) (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

**C3** S. 78(3) applied (1.11.1998) by 1998 c. 38, s. 142(4) (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

*[<sup>F23</sup>Relevant Authority's] powers with respect to grants and loans*

#### Textual Amendments

**F23** Words in Pt. III (ss. 74-102) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 28(a)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

## 79 Lending powers.

- <sup>F24</sup>(1) The Relevant Authority may lend to a registered social landlord or an unregistered self-build society, and the Housing Corporation may lend to any of its subsidiaries or to any other body in which it holds an interest, for the purpose of enabling the body to meet the whole or part of expenditure incurred or to be incurred by it in carrying out its objects.
- (2) The Relevant Authority may lend to an individual for the purpose of enabling him to acquire from—
- the Relevant Authority, or
  - any body to which the Relevant Authority may lend under subsection (1), a legal estate or interest in a dwelling which he intends to occupy.]
- (3) A loan under this section may be by way of temporary loan or otherwise, and the terms of a loan made under subsection (1) may include (though the terms of a loan made under subsection (2) may not) terms for preventing repayment of the loan or part of it before a specified date without the consent of the [<sup>F25</sup>Relevant Authority].
- (4) The terms of a loan under this section shall, subject to subsection (3) and [<sup>F26</sup>(in the case of a loan by the Housing Corporation)]to any direction under section 76 (general power of Secretary of State to give directions), be such as the [<sup>F25</sup>Relevant Authority] may determine, either generally or in a particular case.

#### Textual Amendments

**F24** S. 79(1)(2) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 35(2)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

**F25** Words in Pt. III (ss 74-102) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 28(a)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

**F26** Words in s. 79(4) inserted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 35(3)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

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## 80 Security for loans to unregistered self-build societies.

- (1) Where the [<sup>F27</sup>Relevant Authority]—
- (a) makes a loan to an unregistered self-build society under section 79(1); and
  - (b) under a mortgage or heritable security entered into by the society to secure the loan has an interest as mortgagee or creditor in land belonging to the society, it may <sup>F28</sup> . . . give the society directions with respect to the disposal of the land.
- (2) The society shall comply with directions so given so long as the [<sup>F27</sup>Relevant Authority] continues to have such an interest in the land.
- (3) Directions so given may be varied or revoked by subsequent directions <sup>F29</sup> . . .
- [<sup>F30</sup>(3A) The written consent of the Secretary of State is required for the giving, varying or revoking of directions by the Housing Corporation.]
- (4) The Secretary of State shall not [<sup>F31</sup>give directions under this section requiring a society to transfer its interest in land to him or any other person, and shall not consent to the Housing Corporation's giving such directions requiring a society to transfer its interest in land to the Housing Corporation or] any other person, unless he is satisfied that arrangements have been made which will secure that the members of the society receive fair treatment in connection with the transfer.

### Textual Amendments

- F27** Words in Pt. III (ss. 74-102) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 28(a)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F28** Words in s. 80(1) repealed (1.11.1998) by 1998 c. 38, ss. 140, 152, Sch. 16 para. 36(2), **Sch. 18 Pt. VI** (with ss. 137(1), 139(2), 141(1), 143(2)); S.I. 1998/2244, **art. 5**
- F29** Words in s. 80(3) repealed (1.11.1998) by 1998 c. 38, ss. 140, 152, Sch. 16 para. 36(3), **Sch. 18 Pt. VI** (with ss. 137(1), 139(2), 141(1), 143(2)); S.I. 1998/2244, **art. 5**
- F30** S. 80(3A) inserted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 36(4)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F31** Words in s. 80(5) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 36(5)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

## 81 Further advances in case of disposal on shared ownership lease.

Where—

- (a) a lease of a dwelling, granted otherwise than in pursuance of the provisions of Part V of the <sup>M1</sup>Housing Act 1985 (the right to buy) relating to shared ownership leases, contains a provision to the like effect as that required by paragraph 1 of Schedule 8 to that Act (terms of shared ownership lease: right of tenant to acquire additional shares), and
  - (b) the [<sup>F32</sup>Relevant Authority]has, in exercise of any of its powers, left outstanding or advanced any amount on the security of the dwelling,
- that power includes power to advance further amounts for the purpose of assisting the tenant to make payments in pursuance of that provision.

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#### Textual Amendments

**F32** Words in Pt. III (ss. 74-102) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 28(a)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

#### Marginal Citations

**M1** 1985 c. 68.

### 82 Loans made under s. 2 of the Housing Act 1964.

Schedule 7 (further powers of [<sup>F33</sup>Relevant Authority] with respect to land of certain housing associations) applies where a loan has been made to a housing association under section 2 of the <sup>M2</sup>Housing Act 1964 and the loan has not been repaid.

#### Textual Amendments

**F33** Words in Pt. III (ss. 74-102) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 28(a)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

#### Marginal Citations

**M2** 1964 c. 56.

### 83 Power to guarantee loans.

[<sup>F34</sup>(1) The Relevant Authority may guarantee the repayment of the principal of, and the payment of interest on, sums borrowed by registered social landlords or unregistered self-build societies; and the Housing Corporation may guarantee the repayment of the principal of, and the payment of interest on, sums borrowed by other bodies in which it holds an interest.]

[<sup>F35</sup>(1A) The consent of the Secretary of State given with the approval of the Treasury is required for the giving of a guarantee by the Housing Corporation and the approval of the Treasury is required for the giving of a guarantee by the Secretary of State.]

(2) Where the Corporation gives such a guarantee, it may impose such terms and conditions as it thinks fit.

(3) The aggregate amount outstanding in respect of—

- (a) loans for which [<sup>F36</sup>the Housing Corporation] has given a guarantee under this section, and
- (b) payments made by [<sup>F36</sup>the Housing Corporation] in meeting an obligation arising by virtue of such a guarantee and not repaid to [<sup>F36</sup>the Housing Corporation],

shall not exceed £300 million or such greater sum not exceeding £500 million as the Secretary of State may specify by order made with the approval of the Treasury.

[<sup>F37</sup>(3A) The aggregate amount outstanding in respect of—

- (a) loans for which [<sup>F38</sup>the Secretary of State (or Housing for Wales)] has given a guarantee under this section, and



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- (b) payments made by [<sup>F38</sup>the Secretary of State (or Housing for Wales)] in meeting an obligation arising by virtue of such a guarantee and not repaid to [<sup>F38</sup>the Secretary of State (or Housing for Wales)], shall not exceed £30 million or such greater sum not exceeding £50 million as the Secretary of State may specify by order made with the approval of the Treasury]
- (4) An order under subsection (3) [<sup>F39</sup>or subsection (3A)] shall be made by statutory instrument and no such order shall be made unless a draft of it has been laid before and approved by the House of Commons.

#### Textual Amendments

- F34** S. 83(1) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 37(2)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F35** S. 83(1A) inserted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 37(3)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F36** Words substituted by Housing Act 1988 (c. 50, SIF 61), s. 59(2)(3)(4), **Sch. 6 Pt. III para. 34(1)**
- F37** S. 83(3A) inserted by Housing Act 1988 (c. 50, SIF 61), s. 59(2)(3)(4), **Sch. 6 Pt. III para. 34(2)**
- F38** Words in s. 83(3A) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 37(4)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F39** Words inserted by Housing Act 1988 (c. 50, SIF 61), s. 59(2)(3)(4), **Sch. 6 Pt. III para. 34(3)**

#### 84 Agreements to indemnify certain lenders: England and Wales.

- (1) The [<sup>F40</sup>Relevant Authority] may <sup>F41</sup> . . . enter into an agreement with—
- a building society lending on the security of a house, or
  - a recognised body making a relevant advance on the security of a house,
- whereby, in the event of default by the mortgagor, and in circumstances and subject to conditions specified in the agreement, the [<sup>F40</sup>Relevant Authority] binds itself to indemnify the society or body in respect of the whole or part of the mortgagor's outstanding indebtedness and any loss or expense falling on the society or body in consequence of the mortgagor's default.
- (2) The agreement may also, if the mortgagor is made party to it, enable or require the [<sup>F40</sup>Relevant Authority] in specified circumstances to take a transfer of the mortgage and assume rights and liabilities under it, the building society or recognised body being then discharged in respect of them.
- (3) The transfer may be made to take effect—
- on terms provided for by the agreement (including terms involving substitution of a new mortgage agreement or modification of the existing one), and
  - so that the [<sup>F40</sup>Relevant Authority] is treated as acquiring (for and in relation to the purposes of the mortgage) the benefit and burden of all preceding acts, omissions and events.
- (4) The [<sup>F42</sup>Housing Corporation may not enter into an agreement without the approval of the Secretary of State who] may approve particular agreements or give notice that particular forms of agreement have his approval, and in either case may make his approval subject to conditions.



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- (5) The Secretary of State shall, before giving notice that a particular form of agreement has his approval [<sup>F43</sup>and before himself entering into an agreement in a form about which he has not previously consulted under this subsection], consult—
- (a) in the case of a form of agreement with a building society, the [<sup>F44</sup>Financial Services Authority] and such organisations representative of building societies and local authorities as he thinks expedient, and
  - (b) in the case of a form of agreement with a recognised body, such organisations representative of such bodies and local authorities as he thinks expedient.

<sup>F45</sup>(6) .....

#### Textual Amendments

- F40** Words in Pt. III (ss. 74-102) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 28(a)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F41** Words in s. 84(1) repealed (1.11.1998) by 1998 c. 38, ss. 140, 152, Sch. 16 para. 38(2), **Sch. 18 Pt. VI** (with ss. 137(1), 139(2), 141(1), 143(2)); S.I. 1998/2244, **art. 5**
- F42** Words in s. 84(4) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 38(3)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F43** Words in s. 84(5) inserted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 38(4)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F44** Words in s. 85(5)(a) substituted (1.12.2001) by S.I. 2001/3649, **art. 301**
- F45** S. 84(6) repealed (1.3.2000) by S.I. 2000/311, **art. 16**

#### Modifications etc. (not altering text)

- C4** Ss. 84(5)(b), 85(4l) amended by Local Government Act 1985 (c. 51, SIF 81:1), s. 57(7), Sch. 13 paras. 22, 23 as substituted by Housing (Consequential Provisions) Act 1985 (c.71, SIF 61), s. 4, **Sch. 2 para. 61**
- Ss. 84(5)(b), 85(4) extended (5.7.1994) by 1994 c. 19, s. 39, **Sch. 13 para. 20(1)** (with ss. 54(4)(7), 55(5), Sch. 17 paras. 22(1), 23(2))
- Ss. 84(5)(b), 85(4) modified (1.4.1995) by S.I. 1995/401, art. 18, **Sch. para. 9**

## 85 Meaning of “recognised body” and “relevant advance”.

- (1) The expressions “recognised body” and “relevant advance” in section 84 (agreements to indemnify certain lenders) shall be construed in accordance with the following provisions.
- (2) A “recognised body” means a body specified, or of a class or description specified, in an order made by statutory instrument by the Secretary of State <sup>F46</sup> . . .
- (3) Before making such an order varying or revoking an order previously made, the Secretary of State shall give an opportunity for representations to be made on behalf of a recognised body which, if the order were made, would cease to be such a body.
- (4) A “relevant advance” means an advance made to a person whose interest in the dwelling is or was acquired by virtue of a conveyance of the freehold or an assignment of a long lease, or a grant of a long lease by—
  - a local authority,
  - a new town corporation,
  - an urban development corporation,

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the [<sup>F48</sup>Housing Corporation], or  
a [<sup>F49</sup>registered social landlord]. [<sup>F50</sup> or an advance made to such a person by the Secretary of State if the conveyance, assignment or grant was made under section 90.]

- (5) In subsection (4) “long lease” has the same meaning as in Part V of the <sup>M3</sup>Housing Act 1985 (the right to buy).

#### Textual Amendments

- F46** Words in s. 85(2) repealed (1.10.1996) by 1996 c. 52, ss. 222, 227, Sch. 18 Pt. IV para. 22(1)(d), Sch. 19 Pt. XIII; S.I. 1996/2402, art. 3 (subject to transitional provisions and savings in Sch.)
- F47** Words in s. 85(4) repealed (1.11.1998) by 1998 c. 38, s. 152, Sch. 18 Pt. IV (with ss. 137(1), 139(2), 141(1), 143(2)); S.I. 1998/2244, art. 5
- F48** Words in s. 85(4) substituted (1.11.1998) by 1998 c. 38, s. 140, Sch. 16 para. 39(a) (with ss. 139(2), 143(2)); S.I. 1998/2244, art. 5
- F49** Words in s. 85(4) substituted (1.10.1996) by S.I. 1996/2325, art. 5(1), Sch. 2 para. 15(30)
- F50** Words in s. 85(4) inserted (1.11.1998) by 1998 c. 38, s. 140, Sch. 16 para. 39(b) (with ss. 139(2), 143(2)); S.I. 1998/2244, art. 5

#### Modifications etc. (not altering text)

- C5** Ss. 84(5)(b), 85(4) amended by Local Government Act 1985 (c. 51, SIF 81:1), s. 57(7), Sch. 13 paras. 22, 23 as substituted by Housing (Consequential Provisions) Act 1985 (c. 71, SIF 61), s. 4, Sch. 2 para. 61  
Ss. 84(5)(b), 85(4) extended (5.7.1994) by 1994 c. 19, s. 39, Sch. 13 para. 20(1) (with ss. 54(4)(7), 55(5), Sch. 17 paras. 22(1), 23(2))  
Ss. 84(5)(b), 85(4) modified (1.4.1995) by S.I. 1995/401, art. 18, Sch. para. 9
- C6** S. 85(4) explained by Housing (Consequential Provisions) Act 1985 (c. 71, SIF 61), s. 5(1), Sch. 3 para. 5(3)

#### Marginal Citations

- M3** 1985 c. 68.

## 86 Agreements to indemnify building societies: Scotland.

- (1) [<sup>F51</sup>Scottish Homes] may, with the approval of the Secretary of State, enter into an agreement with a building society [<sup>F52</sup>or recognised body] under which [<sup>F51</sup>Scottish Homes] binds itself to indemnify the building society [<sup>F52</sup>or recognised body] in respect of—
- the whole or part of any outstanding indebtedness of a borrower; and
  - loss or expense to the building society [<sup>F52</sup>or recognised body] resulting from the failure of the borrower duly to perform any obligation imposed on him by [<sup>F53</sup>a] heritable security.
- (2) The agreement may also, where the borrower is made party to it, enable or require [<sup>F51</sup>Scottish Homes] in specified circumstances to take an assignation of the rights and liabilities of the building society [<sup>F54</sup>or recognised body] under the heritable security.
- (3) Approval of the Secretary of State under subsection (1) may be given generally in relation to agreements which satisfy specified requirements, or in relation to individual

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agreements, and with or without conditions, as he thinks fit, and such approval may be withdrawn at any time on one month's notice.

- (4) Before issuing any general approval under subsection (1) the Secretary of State shall consult with such bodies as appear to him to be representative of islands and district councils, and of building societies, and also with [<sup>F51</sup>Scottish Homes] and with the [<sup>F55</sup>Financial Services Authority].

<sup>F56</sup>(5) . . . . .

[<sup>F57</sup>(6) In this section, “recognised body” means a body designated, or of a class or description designated, in an order made under this subsection by statutory instrument by the Secretary of State with the consent of the Treasury.

- (7) Before making an order under subsection (6) above varying or revoking an order previously so made, the Secretary of State shall give an opportunity for representations to be made on behalf of a recognised body which, if the order were made, would cease to be such a body.]

#### Textual Amendments

- F51** Words in s. 86(1)(2)(4) substituted (1.10.1996) by S.I. 1996/2325, art. 5(1), Sch. 2 para. 15(6)  
**F52** Words inserted by Housing (Scotland) Act 1986 (c. 65, SIF 61), s. 25(1), Sch. 2 para. 4(6)(a)(i)  
**F53** “a” substituted by Housing (Scotland) Act 1986 (c. 65, SIF 61), s. 25(1), Sch. 2 para. 4(6)(a)(ii)  
**F54** Words inserted by Housing (Scotland) Act 1986 (c. 65, SIF 61), s. 25(1), Sch. 2 para. 4(6)(b)  
**F55** Words in s. 86(4) substituted (1.12.2001) by S.I. 2001/3649, art. 302  
**F56** S. 86(5) repealed (1.3.2000) by S.I. 2000/311, art. 16  
**F57** S. 86(6)(7) added by Housing (Scotland) Act 1986 (c. 65, SIF 61), s. 25(1), Sch. 2 para. 4(6)(d)

#### [<sup>F58</sup>87] **Financial assistance with respect to formation, management, etc. of certain housing associations.** **E+W**

[ The [<sup>F60</sup>Relevant Authority] may give financial assistance to any person to facilitate  
<sup>F59</sup>(1) the proper performance of the functions of registered social landlords or co-operative housing associations.]

- (2) Assistance under this section may be in the form of grants, loans, guarantees or incurring expenditure for the benefit of the person assisted or in such other way as the [<sup>F60</sup>Relevant Authority] considers appropriate, except that the may not, in giving any form of financial assistance [<sup>F61</sup>under this section], purchase loan or share capital in a company.

- (3) With respect to financial assistance under this section, the following—
- (a) the procedure to be followed in relation to applications for assistance,
  - (b) the circumstances in which assistance is or is not to be given,
  - (c) the method for calculating, and any limitations on, the amount of assistance, and
  - (d) the manner in which, and the time or times at which, assistance is to be given,
- shall be such as may be specified by the [<sup>F60</sup>Relevant Authority], acting in accordance with such principles as it may from time to time determine.

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- (4) In giving assistance under this section, the may provide that the assistance is conditional upon compliance by the person to whom the assistance is given with such conditions as it may specify.
- (5) Where assistance under this section is given in the form of a grant, subsections (1), (2) and (7) to (9) of section 52 of the Housing Act 1988 (recovery, etc. of grants) shall apply as they apply in relation to a grant to which that section applies, but with the substitution, for any reference in those subsections to the [<sup>F62</sup>registered] housing association to which the grant has been given, of a reference to the person to whom assistance is given under this section.
- (6) Section 53 of the Housing Act 1988 (determinations under Part II) shall apply in relation to a determination under this section as it applies to a determination under sections 50 to 52 of that Act.]

#### Extent Information

- E4** This version of this provision extends to England and Wales only; a separate version has been created for Scotland only

#### Textual Amendments

- F58** S. 87 substituted by Local Government and Housing Act 1989 (c. 42 SIF 61), s.183
- F59** S. 87(1) substituted (1.10.1996) by 1996 c. 52, s. 55(1), **Sch. 3 para. 7**; S.I. 1996/2402 art. 3 (with transitional provisions and savings in Sch.)
- F60** Words in Pt. III (ss. 74-102) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 28(a)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F61** Words in s. 87(2) inserted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 40** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F62** Word in s. 87(5) repealed (1.10.1996) by S.I. 1996/2325, art. 4(1), **Sch. 1 Pt. I** (with art. 4(2)(3))

*[<sup>F63</sup>Relevant Authority's] powers with respect to land and works*

#### Textual Amendments

- F63** Words in Pt. III (ss. 74-102) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 28(b)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

## 88 Acquisition of land. **E+W**

- (1) The [<sup>F64</sup>Relevant Authority] may acquire land by agreement for the purpose of—
- selling or leasing it to a [<sup>F65</sup>registered social landlord] or an unregistered self-build society, or
  - providing dwellings (for letting or for sale) or hostels,
- and [<sup>F66</sup>the Housing Corporation may be authorised by the Secretary of State to, and the Secretary of State may,] acquire land compulsorily for any such purpose.
- (2) Land may be so acquired by the [<sup>F64</sup>Relevant Authority] notwithstanding that it is not immediately required for any such purpose.

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- (3) In relation to a compulsory purchase of land by the <sup>F64</sup>Relevant Authority] under this section—
- (a) in England and Wales, the <sup>M4</sup>Acquisition of Land Act 1981 applies;
  - (b) in Scotland, the <sup>M5</sup>Acquisition of Land (Authorisation Procedure) (Scotland) Act 1947 applies as if the <sup>F64</sup>Relevant Authority] were a local authority and as if this section were contained in an Act in force immediately before the commencement of that Act.
- (4) For the purposes of the purchase of land in Scotland by agreement by the <sup>F64</sup>Relevant Authority]—
- (a) the Lands Clauses Acts (except so much of them as relates to the acquisition of land otherwise than by agreement, the provisions relating to access to the special Act and section 120 to 125 of the <sup>M6</sup>Lands Clauses Consolidation (Scotland) Act 1845), and
  - (b) sections 6 and 70 to 78 of the <sup>M7</sup>Railways Clauses Consolidation (Scotland) Act 1845 (as originally enacted and not as amended by section 15 of the <sup>M8</sup>Mines (Working Facilities and Support) Act 1923),
- are hereby incorporated with this section, and in construing those Acts for the purposes of this section this section shall be deemed to be the special Act and the <sup>F64</sup>Relevant Authority] shall be deemed to be the promoters of the undertaking or company, as the case may require.
- (5) In Scotland the <sup>F64</sup>Relevant Authority] may (without prejudice to their own power to acquire land compulsorily) request the Scottish Special Housing Association to acquire land compulsorily on its behalf (as provided in section <sup>F67</sup>23 of the Housing (Scotland) Act 1987) for any purpose for which the <sup>F64</sup>Relevant Authority] may purchase land compulsorily.

#### Extent Information

- E5** This version of this provision extends to England and Wales only; a separate version has been created for Scotland only

#### Textual Amendments

- F64** Words in Pt. III (ss. 74-102) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 28(a)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F65** Words in s. 88(1) substituted (1.10.1996) by S.I. 1996/2325, art. 5(1), **Sch. 2 para. 15(31)**
- F66** Words in s. 88(1) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 41** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F67** Words “23 of the Housing (Scotland) Act 1987” substituted (S.) for “175(2) of the Housing (Scotland) Act 1966” by Housing (Scotland) Act 1987 (c. 26, SIF 61), ss. 335, 339(2), **Sch. 23 para. 31(9)**

#### Marginal Citations

- M4** 1981 c. 67.  
**M5** 1947 c. 42.  
**M6** 1845 c. 19.  
**M7** 1845 c. 33.  
**M8** 1923 c. 20.

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## 89 Provision of dwellings or hostels and clearance, management and development of land. **E+W**

- (1) The [<sup>F68</sup>Relevant Authority] may provide or improve dwellings or hostels on land belonging to it.
- (2) The [<sup>F68</sup>Relevant Authority] may clear land belonging to it and carry out other work on the land to prepare it as a building site or estate, including—
  - (a) the laying out and construction of streets or roads and open spaces, and
  - (b) the provision of sewerage facilities and supplies of gas, electricity and water.
- (3) The [<sup>F68</sup>Relevant Authority] may repair, maintain and insure buildings or works on land belonging to it, may generally deal in the proper course of management with such land and buildings or works on it, and may charge for the tenancy or occupation of such land, buildings or works.
- (4) The [<sup>F68</sup>Relevant Authority] may carry out such operations on, and do such other things in relation to, land belonging to it as appear to it to be conducive to facilitating the provision or improvement of dwellings or hostels on the land—
  - (a) by the [<sup>F68</sup>Relevant Authority] itself, or
  - (b) by a [<sup>F69</sup>registered social landlord] or unregistered self-build society.
- (5) In the exercise of its powers under subsection (4) the [<sup>F68</sup>Relevant Authority] may carry out any development ancillary to or in connection with the provision of dwellings or hostels, including development which makes provision for buildings or land to be used for commercial, recreational or other non-domestic purposes.

### Extent Information

**E6** This version of this provision extends to England and Wales only; a separate version has been created for Scotland only

### Textual Amendments

**F68** Words in Pt. III (ss. 74-102) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16** para. (with ss. 139(2), 143(2)); **S.I. 1998/2244, art. 5**

**F69** Words in s. 89(4)(b) substituted (1.10.1996) by **S.I. 1996/2325, art. 5(1), Sch. para. 15(32)**

## 90 Disposal of land. **E+W**

- (1) The [<sup>F70</sup>Relevant Authority] may dispose of land in respect of which it has not exercised its powers under section 89(1) (provision or improvement of dwellings or hostels) and on which it has not carried out any such development as is mentioned in section 89(5) [<sup>F71</sup>(ancillary development) to a registered social landlord or an unregistered self-build society; and the Housing Corporation may dispose of such land to any of its subsidiaries or to any other body in which it holds an interest.]
- (2) The [<sup>F70</sup>Relevant Authority] may dispose of land on which dwellings or hostels have been provided or improved in exercise of its powers under section 89 to—
  - a [<sup>F72</sup>registered social landlord],
  - a local authority,
  - a new town corporation [<sup>F73</sup>, or
  - Scottish Homes;



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and the Housing Corporation may dispose of any such land to any of its subsidiaries.]

- (3) The [<sup>F70</sup>Relevant Authority] may sell or lease individual dwellings to persons for their own occupation; but where the dwelling concerned was acquired [<sup>F74</sup>by the Housing Corporation] by compulsory purchase under section 88(1), it shall not be disposed of under this subsection without the written consent of the Secretary of State.
- (4) The [<sup>F70</sup>Relevant Authority] may dispose of a building or land intended for use for commercial, recreational or other non-domestic purposes in respect of which development has been carried out by virtue of section 89; but no such building or land shall be disposed of [<sup>F75</sup>by the Housing Corporation] for less than the best consideration it commands except with the written consent of the Secretary of State.
- (5) The [<sup>F70</sup>Relevant Authority] may dispose of land which is not required for the purposes for which it was acquired; but where the land—
- (a) was acquired compulsorily by, or on behalf of, the [<sup>F76</sup>Housing Corporation] or by a local housing authority who transferred it to the [<sup>F76</sup>Housing Corporation], or
  - (b) is disposed of [<sup>F77</sup>by the Housing Corporation] (otherwise than for use as, or in connection with, a highway or street) for less than the best consideration it commands,
- the [<sup>F76</sup>Housing Corporation] shall not dispose of the land except with the written consent of the Secretary of State.
- (6) The [<sup>F78</sup>Housing Corporation] may not dispose of land except in accordance with the provisions of this section.

#### Extent Information

- E7** This version of this provision extends to England and Wales only; a separate version has been created for Scotland only

#### Textual Amendments

- F70** Words in Pt. III (ss. 74-102) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 28(a)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F71** Words in s. 90(1) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 42(2)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F72** Words in s. 90(2) substituted (1.10.1996) by S.I. 1996/2325, art. 5(1), **Sch. 2 para. 15(33)**
- F73** Words in s. 90(2) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 42(3)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F74** Words in s. 90(3) inserted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 42(4)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F75** Words in s. 90(4) inserted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 42(5)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F76** Words in s. 90(5)(a) and in the words following (b) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 42(6)(a)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F77** Words in s. 90(6)(b) inserted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 42(6)(b)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**
- F78** Words in s. 90(6) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 42(7)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**



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#### Modifications etc. (not altering text)

- C7** Reference to "Scottish Homes" substituted for the reference to "Scottish Special Housing Association" by [Housing \(Scotland\) Act 1988 \(c. 43, SIF 61\)](#), [ss. 1, 3\(3\)](#) Sch. 2 para. 1

### 91 Protection of persons deriving title under transactions requiring consent.

Where the [<sup>F79</sup>Housing Corporation]purport to acquire or dispose of land—

- (a) in favour of a person claiming under the [<sup>F79</sup>Housing Corporation]the transaction is not invalid by reason that any consent of the Secretary of State which is required has not been given, and
- (b) a person dealing with the [<sup>F79</sup>Housing Corporation], or with a person claiming under the [<sup>F79</sup>Housing Corporation], shall not be concerned to see or inquire whether any such consent has been given.

#### Textual Amendments

- F79** Words in s. 91 substituted (1.11.1998) by [1998 c. 38, s. 140, Sch. 16 para. 43](#) (with [ss. 139\(2\), 143\(2\)](#)); [S.I. 1998/2244, art. 5](#)

*The [<sup>F80</sup>Relevant Authority's]finances*

#### Textual Amendments

- F80** Words in Pt. III (ss. 74-102) substituted (1.11.1998) by [1998 c. 38, s. 140, Sch. 16 para. 28\(b\)](#) (with [ss. 139\(2\), 143\(2\)](#)); [S.I. 1998/2244, art. 5](#)

### 92 Borrowing powers.

- (1) The [<sup>F81</sup>Housing Corporation] may borrow from the Secretary of State, and the Secretary of State may lend to the [<sup>F81</sup>Housing Corporation], by way of temporary loan or otherwise, such sums in sterling as the [<sup>F81</sup>Housing Corporation] may require.
- (2) The [<sup>F81</sup>Housing Corporation]may, with the consent of the Secretary of State or in accordance with a general authorisation given by him, borrow temporarily by overdraft or otherwise such sums in sterling as the [<sup>F81</sup>Housing Corporation]may require.
- (3) The [<sup>F81</sup>Housing Corporation]may, with the consent of the Secretary of State, borrow—
  - (a) from the European Investment Bank or the Commission of the European Communities, sums in any currency, and
  - (b) from any other person, sums in a currency other than sterling.
- (4) A loan made to the [<sup>F81</sup>Housing Corporation] by the Secretary of State shall be repaid to him at such times and by such methods, and interest on the loan shall be paid to him at such rates and at such times, as he may from time to time determine.
- (5) The Treasury may issue to the Secretary of State out of the National Loans Fund such sums as are necessary to enable him to make loans to the [<sup>F81</sup>Housing Corporation]in pursuance of this section; and sums received by the Secretary of State in pursuance of subsection (4) shall be paid into that Fund.

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- (6) The Secretary of State may act under this section only with the approval of the Treasury.

#### Textual Amendments

**F81** Words in s. 92 substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 44** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

### 93 Limit on borrowing.

- (1) The [<sup>F82</sup>Housing Corporation] has only the borrowing powers conferred by section 92 and those powers are exercisable subject to the following limit.
- (2) The aggregate amount outstanding by way of principal of—
- (a) advances made to the [<sup>F83</sup>Housing Corporation] under section 9 of the <sup>M9</sup>Housing Act 1964 before 18th September 1974 (when that section was repealed),
  - (b) advances made to housing associations before 1st April 1975 in respect of which the rights and obligations of the Secretary of State were then transferred to the [<sup>F83</sup>Housing Corporation] by section 34 of the <sup>M10</sup>Housing Act 1974,
  - (c) money borrowed by the [<sup>F83</sup>Housing Corporation] under section 92, and
  - (d) money borrowed by a subsidiary of the [<sup>F83</sup>Housing Corporation] otherwise than from the [<sup>F83</sup>Housing Corporation],

[<sup>F84</sup>shall not exceed the limit [<sup>F85</sup>specified] under subsection (2A)].

[<sup>F86</sup>(2A) The limit referred to in subsection (2) is,—

- (a) <sup>F87</sup> . . . £2,000 million or such greater sum not exceeding £3,000 million as the Secretary of State may specify by order made with the consent of the Treasury;

<sup>F88</sup> . . . . . ]

- (3) An order under subsection [<sup>F89</sup>(2A)] shall be made by statutory instrument and no such order shall be made unless a draft of it has been laid before and approved by the House of Commons.
- (4) In ascertaining the limit imposed by subsection [<sup>F89</sup>(2A)], interest payable on a loan made by the Secretary of State to the [<sup>F82</sup>Housing Corporation] which, with the approval of the Treasury, is deferred and treated as part of the loan, shall, so far as outstanding, be treated as outstanding by way of principal.
- (5) The power of the [<sup>F82</sup>Housing Corporation] to borrow from a subsidiary of the [<sup>F82</sup>Housing Corporation] is not affected by subsection (1) and borrowing from such a subsidiary shall be left out of account for the purposes of subsection [<sup>F89</sup>(2A)].

#### Textual Amendments

**F82** Words in s. 93(1)(4)(5) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 45(2)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

**F83** Words in s. 93(2) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 45(3)(a)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

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- F84** Words substituted by [Housing Act 1988 \(c. 50, SIF 61\)](#), s. 59(2)(3)(4), [Sch. 6 Pt. III para. 35\(1\)](#)
- F85** Word in s. 93(2) substituted (1.11.1998) by 1998 c. 38, s. 140, [Sch. 16 para. 45\(3\)\(b\)](#) (with ss. 139(2), 143(2)); S.I. 1998/2244, [art. 5](#)
- F86** S. 93(2A) inserted by [Housing Act 1988 \(c. 50, SIF 61\)](#), s. 59(2)(3)(4), [Sch. 6 Pt. III para. 35\(2\)](#)
- F87** Words in s. 93(2A)(a) repealed (1.11.1998) by 1998 c. 38, ss. 140, 152, Sch. 16 para. 45(4)(a), [Sch. 18 Pt. VI](#) (with ss. 137(1), 139(2), 141(1), 143(2)); S.I. 1998/2244, [art. 5](#)
- F88** S. 93(2A)(b) and the word preceding it repealed (1.11.1998) by 1998 c. 38, ss. 140, 152, Sch. 16 para. 45(4)(b), [Sch. 18 Pt. VI](#) (with ss. 137(1), 139(2), 141(1), 143(2)); S.I. 1998/2244, [art. 5](#)
- F89** “2A” substituted by [Housing Act 1988 \(c. 50, SIF 61\)](#), s. 59(2)(3)(4), [Sch. 6 Pt. III para. 35\(3\)](#)

#### Marginal Citations

- M9** 1964 c. 56.  
**M10** 1974 c. 44.

## 94 Treasury guarantees of borrowing.

- (1) The Treasury may guarantee, in such manner and on such conditions as they think fit, the repayment of the principal of and the payment of interest on and the discharge of any other financial obligation in connection with sums which the [<sup>F90</sup>Housing Corporation] borrows from a person other than the Secretary of State.
- (2) Immediately after a guarantee is given the Treasury shall lay a statement of the guarantee before each House of Parliament.
- (3) Any sums required by the Treasury for fulfilling the guarantee shall be charged on and issued out of the Consolidated Fund.
- (4) If any sums are so issued, the [<sup>F90</sup>Housing Corporation] shall make to the Treasury, at such times and in such manner as the Treasury may from time to time direct—
  - (a) payments of such amounts as the Treasury so direct in or towards repayment of the sums so issued, and
  - (b) payments of interest, at such rate as the Treasury so direct, on what is outstanding for the time being in respect of sums so issued.
- (5) Sums received by the Treasury in pursuance of subsection (4) shall be paid into the Consolidated Fund.
- (6) Where a sum is issued for fulfilling a guarantee given under this section, the Treasury shall, as soon as possible after the end of each financial year, beginning with that in which the sum is issued and ending with that in which all liability in respect of the principal of the sum and in respect of interest on it is finally discharged, lay before each House of Parliament a statement relating to the sum.

#### Textual Amendments

- F90** Words in s. 94(1)(4) substituted (1.11.1998) by 1998 c. 38, s. 140, [Sch. 16 para. 46](#) (with ss. 139(2), 143(2)); S.I. 1998/2244, [art. 5](#)

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*Changes to legislation: There are currently no known outstanding effects for the Housing Associations Act 1985, Part III. (See end of Document for details)*

## 95 Grants to the [<sup>F91</sup>Housing Corporation].

- (1) The Secretary of State may make such grants to the [<sup>F91</sup>Housing Corporation] as appear to him to be required to enable the [<sup>F91</sup>Housing Corporation] to meet the expenses incurred by it in the exercise of its functions.
- (2) A grant may be made subject to such conditions as the Secretary of State may determine.
- (3) The Secretary of State may act under this section only with the consent of the Treasury.

### Textual Amendments

**F91** Words in s. 95(1) and sidenote substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 47** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

## 96 General financial provisions.

- (1) The [<sup>F92</sup>Housing Corporation] may turn its resources to account so far as they are not required for the exercise of its functions.
- (2) If for an accounting year the revenues of the [<sup>F92</sup>Housing Corporation] exceed the total sums properly chargeable to revenue account, the [<sup>F92</sup>Housing Corporation] shall apply the excess in such manner as the Secretary of State may, after consultation with the [<sup>F92</sup>Housing Corporation], direct; and the Secretary of State may direct that the whole or part of the excess be paid to him.
- (3) The Secretary of State may give directions to the [<sup>F92</sup>Housing Corporation] as to matters relating to—
  - (a) the establishment or management of reserves,
  - (b) the carrying of sums to the credit of reserves, or
  - (c) the application of reserves for the purposes of the [<sup>F93</sup>Housing Corporation's] functions.
- (4) The Secretary of State may, after consultation with the [<sup>F92</sup>Housing Corporation], direct the [<sup>F92</sup>Housing Corporation] to pay to him the whole or part of any sums for the time being standing to the credit of reserves of the [<sup>F92</sup>Housing Corporation] or being of a capital nature and not required for the exercise of the [<sup>F93</sup>Housing Corporation's] functions.
- (5) The Secretary of State may act under this section only with the approval of the Treasury.

### Textual Amendments

**F92** Words in s. 96(1)-(4) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 48(2)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

**F93** Words in s. 96(3)(4) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 48(3)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

*Status: Point in time view as at 01/12/2001.*

*Changes to legislation: There are currently no known outstanding effects for the Housing Associations Act 1985, Part III. (See end of Document for details)*

## 97 Accounts and audit.

- (1) The [<sup>F94</sup>Housing Corporation] shall keep proper accounts and proper records in relation to the accounts and shall prepare in respect of each financial year annual accounts in such form as the Secretary of State may, with the approval of the Treasury, direct.
- (2) The accounts of the [<sup>F94</sup>Housing Corporation] for each financial year shall be audited by a qualified accountant appointed for the purpose by the Secretary of State.
- (3) As soon as the annual accounts of the [<sup>F94</sup>Housing Corporation] for a financial year have been audited, the [<sup>F94</sup>Housing Corporation] shall send to the Secretary of State a copy of the accounts prepared by it for the year in accordance with this section, together with a copy of any report made on them by the auditor.
- (4) The Secretary of State shall prepare in respect of each financial year, in such form and manner as the Treasury may direct, an account of—
  - (a) the sums issued to him and lent to the [<sup>F94</sup>Housing Corporation], and
  - (b) sums received by him from the [<sup>F94</sup>Housing Corporation] and paid into the National Loans Fund in respect of the principal and interest on sums so lent, or on sums advanced to the [Housing Corporation] under section 9 of the <sup>M11</sup>Housing Act 1964,
 and shall transmit the accounts so prepared by him to the Comptroller and Auditor General on or before 30th November in the following financial year.
- (5) The Comptroller and Auditor General shall examine and certify the accounts prepared by the Secretary of State and lay before each House of Parliament copies of the accounts together with his report on them.

[<sup>F95</sup>(6) In this section “qualified accountant” means a person who is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.]

### Textual Amendments

**F94** Words in s. 97(1)-(4) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 49** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

**F95** S. 97(6) substituted (01.10.1991) by S.I. 1991/1997, reg. 2, **Sch. para. 59(2)** (with reg. 4).

### Modifications etc. (not altering text)

**C8** S. 97(1)-(3) modified (1.11.1998) by 1998 c. 38, s. 142(2) (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

**C9** S. 97(4) applied (with modifications) (1.11.1998) by 1998 c. 38, s. 142(5) (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

### Marginal Citations

**M11** 1964 c. 56.

## *Acquisition of securities and control of subsidiaries*

## 98 Acquisition of securities and promotion of body corporate.

- (1) The [<sup>F96</sup>Housing Corporation] may with the consent of the Secretary of State—
  - (a) subscribe for or acquire securities of a body corporate, and

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*Changes to legislation: There are currently no known outstanding effects for the Housing Associations Act 1985, Part III. (See end of Document for details)*

- (b) promote or participate in the promotion of a body corporate.
- (2) In the section “securities” means shares, stock, debenture stock and other securities of a like nature.

**Textual Amendments**

**F96** Words in s. 98(1) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 50** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

**99 Control of subsidiaries.**

- (1) The [<sup>F97</sup>Housing Corporation] shall exercise its control over its subsidiaries so as to secure that no subsidiary—
- (a) engages in an activity which the [<sup>F97</sup>Housing Corporation] is not empowered to carry on, or
  - (b) engages in an activity in a manner in which the [<sup>F97</sup>Housing Corporation] itself could not engage by reason of a direction given to it under section 76 (directions by Secretary of State).
- (2) The [<sup>F97</sup>Housing Corporation] shall also exercise its control over its subsidiaries so as to secure that no subsidiary of its—
- (a) borrows money from a person other than the [<sup>F97</sup>Housing Corporation], or
  - (b) raises money by the issue of shares or stock to a person other than the [<sup>F97</sup>Housing Corporation],
- without the consent of the Secretary of State.

**Textual Amendments**

**F97** Words in s. 99(1)(2) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 51** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

*Supplementary provisions*

**[<sup>F98</sup>100 Scottish Special Housing Association may act as agents for [<sup>F99</sup>Relevant Authority]in Scotland.**

The [<sup>F99</sup>Relevant Authority] may, on such terms and conditions as may be agreed between it and the Scottish Special Housing Association, authorise the Association to act in Scotland as the agents of the [<sup>F99</sup>Relevant Authority] for the purpose of carrying out any of the functions vested in the [<sup>F99</sup>Relevant Authority] under—

- (a) section 77 (advisory service),
- (b) sections 88 and 89 (powers with respect to land and works), or
- (c) paragraph 5 of Schedule 7 (schemes for provision of housing accommodation in place of a housing association).]

**Textual Amendments**

**F98** S. 100 repealed (S.) by **Housing (Scotland) Act 1986** (c. 65, SIF 61), s. 25(2), Sch. 3

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*Changes to legislation: There are currently no known outstanding effects for the Housing Associations Act 1985, Part III. (See end of Document for details)*

**F99** Words in Pt. III (ss. 74-102) substituted (1.11.1998) by 1998 c. 38, s. 140, **Sch. 16 para. 28(a)** (with ss. 139(2), 143(2)); S.I. 1998/2244, **art. 5**

## 101 Minor definitions.

In this Part—

[<sup>F100</sup>“building society” means a building society within the meaning of the Building Societies Act 1986;]

“financial year” means the period of 12 months ending with the 31st March;

“highway”, in relation to Scotland, includes a public right of way;

“subsidiary” has [<sup>F101</sup>the meaning given by section 736 of] the Companies Act.

### Textual Amendments

**F100** Definition substituted by **Building Societies Act 1986 (c. 53, SIF 16)**, **ss. 54(3)(a)(5)**, 120(1), Sch. 18 Pt. I para. 19(4)

**F101** Words substituted by **Companies Act 1989 (c. 40, SIF 27)**, **ss. 144(4)**, **Sch. 18 para. 41**

## 102 Index of defined expressions: Part III. **E+W+S**

The following Table shows provisions defining or explaining expressions used in this Part (other than provisions defining or explaining an expression in the same section or paragraph):—

building society	section 101
the Companies Act	section 106
dwelling	section 106
financial year	section 101
heritable security	section 106
highway (in relation to Scotland)	section 101
hostel	section 106
housing association	section 1(1)
local authority	section 106
local housing authority	section 104
new town corporation	section 106
recognised body	section 85(2)
registered (in relation to a housing association)	section 3(2)
relevant advance	section 85(4)
self-build society	section 1(3)
subsidiary	section 101



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*Changes to legislation: There are currently no known outstanding effects for the Housing Associations Act 1985, Part III. (See end of Document for details)*

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unregistered (in relation to a housing association)	section 3(2)
urban development corporation	section 106

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## 102 Index of defined expressions: Part III. **S**

The following Table shows provisions defining or explaining expressions used in this Part (other than provisions defining or explaining an expression in the same section or paragraph):—

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building society	section 101
the Companies Act	section 106
dwelling	section 106
financial year	section 101
heritable security	section 106
highway (in relation to Scotland)	section 101
hostel	section 106
housing association	section 1(1)
local authority	section 106
local housing authority	section 104
new town corporation	section 106
recognised body	section 85(2)
registered (in relation to a housing association)	section 3(2)
relevant advance	section 85(4)
self-build society	section 1(3)
subsidiary	section 101
unregistered (in relation to a housing association)	section 3(2)
urban development corporation	section 106

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### Extent Information

**E8** This version of this provision extends to Scotland only; a separate version has been created for England and Wales only

**Status:**

Point in time view as at 01/12/2001.

**Changes to legislation:**

There are currently no known outstanding effects for the Housing Associations Act 1985, Part III.