



Housing (Scotland) Act 1987

1987 CHAPTER 26

PART XIV

ASSISTANCE FOR OWNERS OF DEFECTIVE HOUSING

Contributions by Secretary of State

296 Contributions by Secretary of State

- (1) The Secretary of State may, if he thinks fit in any case contribute towards the expense incurred by a local authority—
 - (a) in giving assistance by way of reinstatement grant,
 - (b) in giving assistance by way of repurchase of a dwelling which is a defective dwelling by virtue of a designation under section 257 (designation by Secretary of State), or
 - (c) in making payments under section 277 (making up of consideration on disposal in pursuance of right of pre-emption, etc.) or section 278 (making up of compulsory purchase compensation).
- (2) The contributions shall be annual payments—
 - (a) in respect of a period of 20 years beginning with the financial year in which, as the case may be, the work in respect of which the grant was payable was completed, the acquisition of the interest concerned was completed or the payment was made, and
 - (b) of a sum equal to the relevant percentage of the annual loan charges referable to the amount of the expenses incurred.
- (3) The relevant percentage is—
 - (a) 90 per cent. in the case of reinstatement grant,
 - (b) 75 per cent. in the case of repurchase or a payment under section 277 or 278 where there has at any time been a disposal of a relevant interest in the defective dwelling by the local authority or a predecessor of that authority, and

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- (c) 100 per cent. in the case of repurchase or a payment under those sections not within paragraph (b);
or such other percentage as, in any of those cases, may be provided by order under section 297.
- (4) The amount of the expense incurred is—
 - (a) in the case of reinstatement grant, the amount of the grant,
 - (b) in the case of repurchase, the price paid for the acquisition, together with any amount reimbursed under section 280 (incidental expenses), less the value of the interest at the relevant time determined in accordance with paragraph 8 of Schedule 21 (value for purposes of repurchase) but without the assumption required by paragraph 8(1)(a) (assumption that dwelling is defect free),
 - (c) in the case of a payment under section 277 or 278, the amount of the payment.
- (5) The annual loan charges referable to the amount of the expense incurred means the annual sum which, in the opinion of the Secretary of State, would fall to be provided by a local authority for the payment of interest on, and the repayment of, a loan of that amount repayable over a period of 20 years.
- (6) Payment of contributions under this section is subject to the making of a claim in such form, and containing such particulars, as the Secretary of State may determine; and the contributions are payable at such times, in such manner and subject to such conditions, as to records, certificates, audit or otherwise, as the Secretary of State may, with the agreement of the Treasury, determine.

297 Power to vary relevant percentage

- (1) The Secretary of State may by order made with the consent of the Treasury vary all or any of the percentages specified in section 296(3) (relevant percentages for purposes of contribution to expenditure of local authority) in respect of assistance or payments, or a class of assistance or payments specified in the order.
- (2) An order—
 - (a) may make different provision for assistance given or payments made in respect of defective dwellings in different areas or under different provisions or for different purposes of the same provision;
 - (b) shall be made by statutory instrument, and
 - (c) shall not be made unless a draft of it has been laid before and approved by a resolution of the House of Commons.
- (3) An order applies to assistance given or payments made in pursuance of applications made after such date as may be specified in the order, and the specified date shall not be earlier than the date of the laying of the draft.