



Housing (Scotland) Act 1987

1987 CHAPTER 26

PART XII

HOUSE LOANS AND OTHER FINANCIAL ASSISTANCE

Assistance for first-time buyers

223 Forms of assistance and qualifying conditions.

- (1) Assistance under section 222 (assistance for first-time buyers) may be given in the following ways—
 - (a) the secured loan may be financed by the Secretary of State to the extent of £600 (that amount being normally additional to that which the institution would otherwise have lent, but not so that the total loan exceeds the loan value of the property);
 - (b) £600 of the total loan may be made free of interest, and of any obligation to repay principal, for up to 5 years from the date of purchase; and
 - (c) the institution may provide the purchaser with a bonus on his savings (which bonus shall be tax-exempt) up to a maximum of £110, payable towards the purchase or expenses arising in connection with it.
- (2) The purchaser qualifies for assistance under subsection (1)(a) and (b) (interest-free loan) by satisfying the following conditions with respect to his own savings—
 - (a) that he has been saving with a recognised savings institution for at least 2 years preceding the date of his application for assistance,
 - (b) that throughout the 12 months preceding that date he had at least £300 of such savings, and
 - (c) that by that date he has accumulated at least £600 of such savings;and he qualifies for assistance under subsection (1)(c) (bonus on savings) by satisfying the conditions specified in paragraphs (a) and (b) above.
- (3) The Secretary of State may allow for the conditions to be relaxed or modified in particular classes of case.

Changes to legislation: *Housing (Scotland) Act 1987, Section 223 is up to date with all changes known to be in force on or before 09 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

- (4) No assistance shall be given in any case unless the amount of the secured loan is at least £1,600 and amounts to not less than 25 per cent. of the purchase price of the property.
- (5) The Secretary of State may by order made with the consent of the Treasury—
- (a) alter any of the money sums specified in this section;
 - (b) substitute a longer or shorter period for either or both of the periods mentioned in subsection (2)(a) and (b) (conditions as to savings);
 - (c) alter the condition in subsection (2)(c) so as to enable the purchaser to satisfy it with lesser amounts of savings and to enable assistance to be given in such a case according to reduced scales specified in the order;
 - (d) alter the percentage mentioned in subsection (4) (minimum secured loan).
- (6) An order shall be made by statutory instrument which shall be subject to annulment in pursuance of a resolution of the House of Commons.

Modifications etc. (not altering text)

- C1** Ss. 222–227: power to amend or repeal conferred by [Local Government and Housing Act 1989 \(c. 42, SIF 61\)](#), [s. 171\(b\)\(2\)](#)
- C2** S. 223(3) amended by [Local Government and Housing Act 1989 \(c. 42, SIF 61\)](#), [s. 171\(3\)\(a\)](#)

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 21(3)(i)s. 21(3)(ai)(ii) by [2001 asp 10 Sch. 10 para. 13\(3\)\(c\)](#)[para. 13\(I\)-\(iii\)](#)
- s. 24(3)(f) and word(s) inserted by [2003 asp 10 s. 5\(1\)](#) (This amendment not applied to [legislation.gov.uk](#). S. 5 omitted (31.12.2012) without ever being in force by virtue of S.S.I. 2012/330, arts. 1, 13)
- s. 31(2C)(c) words substituted by [2004 asp 8 Sch. 4 para. 2](#)
- s. 61(2)(a)(ia) by [2001 asp 10 Sch. 10 para. 13\(6\)\(a\)\(ii\)](#)
- s. 63(1A)-(61C) by [2001 asp 10 s. 46\(2\)](#)
- s. 66(1)(vi)(vii) by [2001 asp 10 Sch. 10 para. 13\(9\)\(b\)](#)
- s. 286(a)(c) by [2001 asp 10 Sch. 10 para. 13\(40\)\(a\)\(b\)](#)