

HOUSING AND REGENERATION ACT 2008

EXPLANATORY NOTES

STRUCTURE OF THE ACT

Part 2 – Regulation of Social Housing

Chapter 7 – Enforcement powers

Restrictions on dealings

Section 256 – Restrictions on dealings during inquiry

766. This section allows the regulator to make an order to restrict the transactions which a non-profit registered provider may enter into or the payments it makes, and may order anyone holding money or securities on behalf of the provider not to part with them.
767. This section applies where an inquiry under section 206 is in progress and that one of two Cases applies. Case 1 is that the regulator has reasonable grounds for believing that the provider's affairs have been mismanaged and that the interests of tenants or its assets require protection. Case 2 is that as a result of an interim report from an inquiry, the regulator is satisfied that its affairs have been mismanaged.
768. The restrictions in the order are automatically lifted 6 months after the final report from the inquiry under section 207 is issued. The regulator also has the power to lift the restrictions before that, and the power by order to extend them for a specified period of up to 6 months. This power may only be used in relation to a registered charity if the charity has received public assistance (defined in section 274).