

---

*Changes to legislation:* There are currently no known outstanding effects for the Welfare Reform and Work Act 2016, Paragraph 5. (See end of Document for details)

---

## SCHEDULES

### SCHEDULE 2

#### FURTHER PROVISION ABOUT SOCIAL HOUSING RENTS

##### PART 2

##### EXCEPTIONS AND EXEMPTIONS

###### *Exceptions*

- 5 (1) Part 1 does not apply in relation to a tenant of social housing if—
- (a) the accommodation is low cost home ownership accommodation;
  - (b) the accommodation is both low cost rental accommodation and low cost home ownership accommodation (see section 71 of the Housing and Regeneration Act 2008).
- (2) Part 1 does not apply in relation to social housing of a registered provider if, where the registered provider's interest in the property that consists of or includes the social housing is subject to a mortgage—
- (a) the mortgagee is in possession of the interest in the property or the part of the property that includes the social housing, in the exercise of the mortgagee's powers to enforce the mortgage,
  - (b) a receiver has been appointed in relation to the interest in the property or the part of the property that includes the social housing by—
    - (i) the mortgagee, in the exercise of the mortgagee's powers to enforce the mortgage, or
    - (ii) the court, in connection with enforcing the mortgage,and that appointment is in force, or
  - (c) a person has been appointed by the mortgagee, in the exercise of the mortgagee's powers to enforce the mortgage (including, in the case of a floating charge which relates to the interest in the property, the power under paragraph 14 of Schedule B1 to the Insolvency Act 1986), to exercise powers that include a power to sell or otherwise dispose of the interest in the property or the part of the property that includes the social housing and that appointment is in force.
- (3) If—
- (a) a registered provider's interest in property that consists of or includes social housing was made subject to a mortgage, and
  - (b) the interest in the property, or the interest in the part that includes the social housing, is sold or otherwise disposed of after the coming into force of Part 1 by—
    - (i) the mortgagee, in the exercise of the mortgagee's powers to enforce the mortgage,

---

*Changes to legislation: There are currently no known outstanding effects for the Welfare Reform and Work Act 2016, Paragraph 5. (See end of Document for details)*

---

- (ii) a receiver appointed by the mortgagee or by the court as described in sub-paragraph (2)(b), or
- (iii) a person appointed by the mortgagee as described in sub-paragraph (2)(c),

Part 1 ceases to apply in relation to that social housing at the time of that sale or other disposal.

- (4) In sub-paragraphs (2) and (3)—
  - “mortgage” includes a charge or other security;
  - “mortgagee” includes a person who is entitled to take steps to enforce a charge or other security.
- (5) The Secretary of State may by regulations provide for Part 1 not to apply in cases prescribed by the regulations.
- (6) Regulations under sub-paragraph (5) may in particular make provision about—
  - (a) tenants of a description prescribed by the regulations;
  - (b) tenancies of a description prescribed by the regulations;
  - (c) accommodation of a description prescribed by the regulations;
  - (d) accommodation which satisfies conditions prescribed by the regulations, including conditions relating to the funding of its building or refurbishment;
  - (e) events of a description prescribed by the regulations.
- (7) Regulations made by virtue of sub-paragraph (6)(a) may include provision about tenants whose income exceeds, or whose household's incomes exceed, an amount prescribed by the regulations during a period prescribed by the regulations.
- (8) Regulations made by virtue of sub-paragraph (6)(e) may include provision about periods during a tenancy when the rent payable is temporarily reduced or waived.

#### Commencement Information

- I1** Sch. 2 para. 5 in force for specified purposes at Royal Assent, see s. 36(5)
- I2** Sch. 2 para. 5 in force at 1.4.2016 in so far as not already in force by S.I. 2016/394, reg. 4

**Changes to legislation:**

There are currently no known outstanding effects for the Welfare Reform and Work Act 2016, Paragraph 5.