



# Housing (Financial Provisions) (Scotland) Act 1978

## CHAPTER 14

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#### *Government grants to housing authorities and voluntary organisations*

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## ELIZABETH II



# Housing (Financial Provisions) (Scotland) Act 1978

## 1978 CHAPTER 14

An Act to make new provision for Scotland with respect to grants for housing authorities and grants and loans to voluntary organisations concerned with housing; to provide for grants and loans by local authorities to meet expenses of repairing houses in a state of disrepair; to make further provision for the improvement of houses below the tolerable standard; to make further provision as to the rents of houses provided by local authorities in Scotland; and to make minor amendments of certain enactments relating to housing. [25th May 1978]

**B**E IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

*Government grants to housing authorities and voluntary organisations*

1.—(1) For the purpose of assisting local authorities in Scotland to meet reasonable housing needs in their areas, the Secretary of State shall, for the year 1979-80 and each subsequent year, make grants to local authorities in accordance with the provisions of this Act; and any grants made in pursuance of this subsection shall be known as "housing support grants".

(2) For the purpose of fixing the aggregate amount of the housing support grants for any year, the Secretary of State shall,

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in respect of all local authorities in Scotland, estimate the following amounts—

- (a) the aggregate amount of eligible expenditure which it is reasonable for local authorities to incur for that year ; and
- (b) the aggregate amount of relevant income which local authorities could reasonably be expected to receive for that year,

and the amount remaining after deducting the amount mentioned in paragraph (b) above from the amount mentioned in paragraph (a) above shall, subject to subsection (4) below and section 3 of this Act, be the aggregate amount of the housing support grants for that year.

(3) Before estimating the amounts mentioned in paragraphs (a) and (b) of subsection (2) above for any year, the Secretary of State shall consult with such associations of local authorities as appear to him to be concerned and shall take into consideration—

- (a) the latest information available to him as to the level of eligible expenditure and relevant income ;
- (b) the level of interest rates, remuneration, costs and prices which, in his opinion, would affect the amount of eligible expenditure for that year ; and
- (c) the latest information available to him as to changes in the general level of earnings which would affect the amount of relevant income which could reasonably be expected for that year.

(4) In fixing the aggregate amount of the housing support grants for the year 1980-81 or any subsequent year, the Secretary of State may take into account the extent, if any, to which the aggregate amount of eligible expenditure which it was reasonable for local authorities to incur for any previous year differs or is likely to differ from the aggregate amount for that previous year which he estimated or re-estimated under this section or section 3 of this Act respectively.

(5) The aggregate amount of the housing support grants, fixed in accordance with subsection (2) above for any year, shall be set out in an order made by the Secretary of State with the consent of the Treasury (in this Act referred to as a “housing support grant order”); and a housing support grant order may be made in respect of any year before the beginning of that year.

(6) No housing support grant order shall be made until that order has been laid in draft before the Commons House of Parliament, together with a report of the considerations leading to the provisions of the order, and has been approved by a resolution of that House.

(7) In this Act—

“eligible expenditure”, in relation to any year, means the expenditure which a local authority are required to debit to their housing revenue account for that year in pursuance of Schedule 4 to the Act of 1972;

“relevant income”, in relation to any year, means the income and any rate fund contribution which a local authority are required to credit to their housing revenue account for that year in pursuance of the said Schedule 4.

2.—(1) Subject to the provisions of this section, the proportion of the aggregate amount of the housing support grants payable for any year to a local authority shall be determined by the Secretary of State, after consulting with such associations of local authorities as appear to him to be concerned, by such method as may be prescribed; and a prescribed portion of the said aggregate amount may be apportioned to a particular local authority.

Apportionment of housing support grants.

(2) The report accompanying a housing support grant order in accordance with section 1(6) of this Act shall contain a table showing the estimated amount of grant payable to each local authority for the year in question.

(3) In prescribing the method of determining the proportion mentioned in subsection (1) above payable to a local authority for the year 1980-81 or any subsequent year, the Secretary of State may take into account any substantial difference in the actual amount of any element of their eligible expenditure as compared with any estimate of the amount of that element made by him in determining the said proportion payable to them for a previous year.

(4) In prescribing the method of determining the proportion mentioned in subsection (1) above payable for any year to a local authority the Secretary of State shall have regard to any special needs affecting eligible expenditure.

(5) Subject to subsection (6) below, the Secretary of State may, for any year (in this subsection and in subsection (6) below referred to as “the current year”), prescribe such method of determining the said proportion as to secure that no reduction in the amount of housing support grant payable to any local authority for the current year as compared with the amount of housing support grant so payable for the immediately preceding year is so great that there is an unreasonable increase for the current year over that preceding year in the amount of the authority’s eligible expenditure which is required to be met by way of rent or rate fund contributions.

(6) Subsection (5) above shall have effect—

(a) where the current year is 1979-80 as if for the words “ amount of housing support grant so payable for the immediately preceding year ” there were substituted the words “ aggregate amount of subsidies as estimated by the Secretary of State so payable for the year 1978-79 under the enactments described in Part I of Schedule 1 to and paragraphs (a) and (b) of section 7 (8) of this Act ” ;

(b) where the current year is 1979-80 or 1980-81 as if for the word “ may ” there were substituted the word “ shall ” .

(7) In this section “ prescribed ” means prescribed by a housing support grant order.

Variation of orders.

3.—(1) If it appears to the Secretary of State after consulting with such associations of local authorities as appear to him to be concerned that, after the time when the amount mentioned in section 1(2)(a) of this Act was estimated for any year, the eligible expenditure of local authorities for that year has been or is likely to be substantially increased or decreased by reason of changes which have taken place or are likely to take place in the level of the matters specified in section 1(3)(b) of this Act, and that inadequate account was taken of those changes when the amount mentioned as aforesaid was estimated, he may at any time after such consultation re-estimate for that year the said amount ; and by an order made in the like manner and subject to the like provisions as a housing support grant order, may increase or, as the case may be, decrease the amount fixed by the relevant housing support grant order as the aggregate amount of the housing support grants for that year.

(2) An order made under this section with respect to any year may, as respects that year, vary any matter prescribed by the relevant housing support grant order.

Grants payable to the Scottish Special Housing Association and development corporations.

4.—(1) The Secretary of State shall, for the year 1978-79 and each subsequent year, make grants to the Scottish Special Housing Association (in this Act referred to as “ the Association ”) and to development corporations in accordance with the provisions of this section.

(2) Grants under this section shall be payable for any year to the Association in respect of the total net annual expenditure (as calculated in accordance with rules made by the Secretary of State with the consent of the Treasury) necessarily incurred for that year by the Association, acting otherwise than as agents—

(a) in providing housing accommodation by—

(i) erecting houses,

(ii) converting any houses or other buildings into houses,

(iii) acquiring houses ;

- (b) in improving housing accommodation so provided ;
- (c) in managing and maintaining any housing accommodation provided or improved as aforesaid ;
- (d) in improving the amenities of a predominantly residential area :
- (e) in providing or converting buildings for use as hostels, or as parts of hostels, as defined in section 138(4) of the Housing (Scotland) Act 1966 and in improving, managing and maintaining buildings so provided or converted ; 1966 c. 49.
- (f) in doing anything ancillary to any of the activities mentioned in paragraphs (a) to (e) above.

(3) In subsection (2) above “improving” includes altering, enlarging or repairing.

(4) Subsections (2) and (3) above shall apply to a development corporation as they apply to the Association, but as if in subsection (2) the words “acting otherwise than as agents” were omitted.

**5.—**(1) The Secretary of State may, with the consent of the Treasury and upon such terms and subject to such conditions as he may determine, give to a voluntary organisation assistance by way of grant or by way of loan, or partly in the one way and partly in the other, for the purpose of enabling or assisting the organisation to provide training or advice, or to undertake research, or for other similar purposes relating to housing. Financial assistance to voluntary organisations concerned with housing.

(2) In this section “voluntary organisation” means a body the activities of which are carried on otherwise than for profit, but does not include any public or local authority or a housing association registered in the register of housing associations established under section 13 of the Housing Act 1974. 1974 c. 44.

**6.—**(1) Any grant to be paid by the Secretary of State under this Act shall be payable at such times and in such manner as he may determine and subject to such conditions as he may impose. Payment of grants and accounting provisions.

(2) Without prejudice to the generality of subsection (1) above, the making of any such payment shall be subject to the making of an application for the payment in such form, and containing such particulars, as the Secretary of State may from time to time determine.

**7.—**(1) No payment shall be made—

- (a) for the year 1979-80 or any subsequent year to a local authority under any of the enactments described in Part I of Schedule 1 to this Act ;
  - (b) for the year 1978-79 or any subsequent year to—
    - (i) the Association under any of the enactments described in Parts II and III of that Schedule ;
- Termination of certain exchequer payments to housing authorities.

(ii) a development corporation under any of the enactments described in the said Part II.

1950 c. 34.

(2) The right of a local authority to receive any payment under any of the enactments described in Part I of the said Schedule 1 or section 105 of the Housing (Scotland) Act 1950 shall be extinguished unless an application has been made for the payment before 31st March 1980 or such later date as the Secretary of State may in exceptional circumstances allow.

(3) Subject to the following provisions of this section, where—

(a) information given to the Secretary of State on any such application as is mentioned in subsection (2) above for a payment includes any particulars which are, and are stated to be, based on an estimate; and

(b) it appears to the Secretary of State—

(i) that the estimate is reasonable, and

(ii) that, assuming the estimate were correct, the information and other particulars given on the application are sufficient to enable him to determine the amount of the payment;

the Secretary of State may accept the estimate and make a payment accordingly.

(4) Any payment made in pursuance of subsection (3) above so far as it is based on an estimate of the cost of land may be adjusted when the final cost of the land is ascertained.

(5) Where any payment is made in pursuance of subsection (3) above, the recipient shall not be entitled to question the amount of the payment on a ground which means that the estimate was incorrect.

(6) Where the Secretary of State is not satisfied that the estimate is reasonable, he may, if he thinks fit, accept the application and make a payment of such amount as appears to him reasonable.

1974 c. 44.

(7) No housing association grant under section 29 of the Housing Act 1974 shall be paid to a local authority, the Association or a development corporation in respect of any project completed after 31st March 1979.

(8) No payment shall be made for the year 1979-80 or any subsequent year under—

1949 c. 61.

(a) section 27(1) of the Housing (Scotland) Act 1949, section 89(1) of the Housing (Scotland) Act 1950 or section 21(1) of the Housing (Financial Provisions) (Scotland) Act 1968 (exchequer contributions for hostels); or

1968 c. 31.

(b) section 33 of the Housing Act 1974 (hostel deficit grants) to a local authority, the Association or a development corporation.



*Grants and loans by local authorities*

8. After section 10 of the Housing (Scotland) Act 1974 there shall be inserted the following section—

Repairs grant.

1974 c. 45.

“Repairs grant.

10A.—(1) Subject to the provisions of this section, a local authority—

(a) shall make a grant in respect of works for the repair of a house (in this Part of this Act referred to as a “repairs grant”) where the works are to rectify defects specified in a notice under section 24(1) of the Housing (Scotland) Act 1969 ;

(b) may make a repairs grant in respect of works of repair to a house to be carried out in circumstances other than those specified in paragraph (a) above,

if an application is made in accordance with the provisions of this section and approved by the local authority in such circumstances as they think fit.

(2) A local authority shall not approve an application under this section unless they are satisfied that the house to which the application relates will provide satisfactory housing accommodation for such period and conform with such requirements with respect to construction and physical condition and the provision of services and amenities as may be specified for the time being for the purposes of this section by the Secretary of State.

(3) In considering whether or not to approve an application for a repairs grant, a local authority shall have regard to the question whether, in their opinion, the applicant would, without undue hardship, be able to finance the expense of the relevant works without the assistance of a repairs grant.

(4) The amount of a repairs grant shall not exceed 50 per cent., or such other percentage as may be prescribed, of the approved expense of the works, but the approved expense shall not exceed £1,500 or such other amount as may be prescribed in respect of each house to which the application relates.

(5) Sections 2 to 10 of this Act (other than section 5(1), (1A), (3) and (5) and section 7) shall apply to an application for a repairs grant as they apply to an application for an improvement grant.”.

Duty of local authority to offer loans to meet expenses of repairs.  
1969 c. 34.

**9.** After section 24 of the Housing (Scotland) Act 1969 there shall be inserted the following section—

“Duty of local authority to offer loans to meet expenses of repairs.

24A.—(1) Where the person having control of a house is willing to carry out the works necessary to rectify the defects specified in the notice under section 24(1) of this Act, he may, not later than 21 days from the date of service of the said notice, or from the date of determination of any appeal thereon, apply to the local authority for a loan.

(2) Subsections (2) to (8) of section 24 of the Housing (Scotland) Act 1974 shall apply for the purposes of this section as they apply for the purposes of that section, but as if in subsection (5)(b) for the words from “improvement” to the end there were substituted the words “the works necessary to rectify the defects specified in the notice under section 24(1) of this Act have been executed.”.

*Miscellaneous and general*

Improvement of houses below tolerable standard outside housing action areas.  
1974 c. 45.

**10.** After section 14 of the Housing (Scotland) Act 1974 there shall be inserted the following section—

“Improvement of houses below tolerable standard outside housing action areas.

14A.—(1) Subject to subsections (2) and (3) below, where a local authority are satisfied that a house which is not situated in a housing action area does not meet the tolerable standard, they may by order require the owner of the house within a period of 180 days of the making of the order to improve the house by executing works—

(a) to bring it up to the tolerable standard ; and

(b) to put it into a good state of repair ;

and where the local authority are satisfied that the house has a future life of not less than 10 years, they may in addition require the execution of such further works of improvement as to ensure that the house will be provided with all of the standard amenities within the said period.

(2) A local authority shall not make an order under subsection (1) above in respect of a house which is comprised in a building containing more than one house except with the consent of the Secretary of State.

(3) If the works of improvement required by an order under subsection (1) above have not been

completed within the said period of 180 days, the local authority may if—

- (a) they consider that satisfactory progress has been made on the works, or
- (b) they are given an undertaking in writing that the works will be completed by a date which they consider satisfactory,

amend the order to require the works to be completed within such further period as they may determine.

(4) If the works of improvement have not been completed within the said period of 180 days or, as the case may be, the further period determined under subsection (3) above, the local authority, in order that they themselves may carry out the works required by the order under subsection (1) above, may acquire the house by agreement or may be authorised by the Secretary of State to acquire the house compulsorily; and the Acquisition of Land (Authorisation Procedure) (Scotland) Act 1947 shall apply in relation to any such compulsory purchase as if this Act had been in force immediately before the commencement of that Act.

(5) Paragraphs (a) to (c) of section 15(7) of the Housing (Scotland) Act 1966 (persons upon whom closing and demolition orders are to be served) shall apply to orders under this section as they apply to orders under that section.

(6) Section 26 of the said Act of 1966 shall apply to enable an aggrieved person to appeal against an order under this section as it applies to enable an aggrieved person to appeal against a closing order.

(7) A local authority shall make an improvement grant in accordance with Part I of this Act towards meeting the cost of the works which are required in pursuance of this section.

(8) The owner of the house in respect of which improvement works are required under this section may apply to the local authority for a loan to meet the cost of the works in so far as they are not met by a grant made under subsection (7) above; and subsection (2) to (9) of section 24 of this Act shall apply for the purposes of this subsection as they apply for the purposes of subsection (1) of that section.”.

Amendments relating to the housing revenue account.

**11.**—(1) Section 23 of the Act of 1972 (houses etc. which are to be included in the housing revenue account) shall have effect as if—

(a) at the end of subsection (1) there were added the following paragraph—

“(f) all buildings provided or converted for use as lodging-houses (that is to say houses not occupied as separate dwellings) or hostels as defined in section 138(4) of the Act of 1966 or as parts of lodging-houses or hostels.”;

(b) for subsection (3) there were substituted the following subsection—

“(3) The land in respect of which the local authority are required by subsection (1) above to keep a housing revenue account shall not include any land which the local authority have provided expressly for sale for development by another person.”.

(2) In paragraph 2 of Schedule 4 to the Act of 1972 (amounts to be debited to the housing revenue accounts) after subparagraph (a)(v) there shall be inserted the following words—

“(vi) the alteration, enlargement or improvement under section 138(2) of the Act of 1966 of any house:”.

(3) The Secretary of State may, as respects the year 1979-80 or any subsequent year, after consultation with such associations of local authorities as appear to him to be concerned, by order amend the said Schedule 4.

(4) An order under subsection (3) above shall be made by statutory instrument subject to annulment in pursuance of a resolution of either House of Parliament and may be varied or revoked by a subsequent order made under that subsection.

Amendments relating to rent rebates and allowances.

**12.** For the year 1978-79 or any subsequent year the amount of rent rebate subsidy or rent allowance subsidy payable to a local authority shall be 90 per cent. of the local authority's standard amount of rent rebates or rent allowances for the year in question as defined for the purposes of Part II of the Act of 1972.

Rent rebates and allowances to persons in receipt of supplementary benefit.

**13.** After section 16 of the Act of 1972 there shall be inserted the following section—

“Rent rebates and allowances to persons in receipt of supplementary benefit.

16A.—(1) Subject to any directions given by the Secretary of State, no rebate from or allowance towards the rent of a house shall be granted by virtue of section 15 or 16 of this Act to any person who is, to the knowledge of the housing authority, in receipt of supplementary benefit.

(2) A person in receipt of supplementary benefit shall, for the purposes of this section, include any person whose income or resources have been or may be aggregated for the purposes of this Act with those of a person who may be entitled to receive supplementary benefit or who is or has been in receipt of such benefit.

(3) Subject to any directions given by the Secretary of State, where a rebate from or allowance towards the rent of a house has been granted to any person by virtue of section 15 or 16 of this Act but has not been implemented as at the date of an award of supplementary benefit to that person, such grant of rebate or allowance shall be cancelled as from the date of the said award.

(4) A housing authority shall afford to the Supplementary Benefits Commission such information in their possession as the Commission may require to give effect to the provisions of the Supplementary Benefits Act 1976, and the Supplementary Benefits Commission shall afford to a housing authority such information concerning claims for and payments of supplementary benefit as the authority may require to give effect to the provisions of this section.

(5) The Secretary of State may give directions—

(a) either generally or in any particular case, as to the application of this Part of this Act (including Schedules 2 and 3 to this Act) to persons who may be entitled to receive supplementary benefit or who are or have been in receipt of such benefit ;

(b) as to the circumstances in which two periods of supplementary benefit with a break between are to be regarded as one continuous period.”.

14. Section 63 of the Act of 1972 (phasing of progression to registered rent) shall have effect as if at the end there were added the following subsections—

“ (7) The Secretary of State may by order amend subsection (2) above by varying the sum specified in paragraphs (a) and (b) thereof, and the order may contain such supplementary or incidental provisions as he thinks fit.

(8) An order under subsection (7) above shall be made by statutory instrument subject to annulment in pursuance of a resolution of either House of Parliament and may be

Rent limits of houses belonging to housing associations and the Housing Corporation.

varied or revoked by a subsequent order made under that subsection.”.

Reserve  
power to  
limit rents.  
1975 c. 28.

**15.**—For section 2 of the Housing Rents and Subsidies (Scotland) Act 1975 there shall be substituted the following section—

“ Reserve  
powers to  
limit rents.

2.—(1) The Secretary of State may by order limit or restrict any increase—

- (a) in income receivable from the standard rent of any house or any part share thereof,
- (b) in average income receivable from the standard rents of all houses or part shares of houses,

to which a local authority’s housing revenue account relates.

(2) An order under this section may contain such supplementary and incidental provisions as the Secretary of State thinks fit.

(3) An order under this section shall lapse at the expiry of 12 months from the date of its commencement, unless such order has been renewed by a subsequent order made before the expiry of the said 12 months.

(4) An order under this section shall be made by statutory instrument subject to annulment in pursuance of a resolution of either House of Parliament, and may be varied or revoked by a subsequent order made under this section.”.

Minor and  
consequential  
amendments  
and repeals.

**16.**—(1) The enactments specified in Parts I and II of Schedule 2 to this Act shall have effect subject to the amendments set out therein, the amendments in Part I being minor amendments and the amendments in Part II being amendments consequential on the provisions of this Act.

(2) The enactments specified in Schedule 3 to this Act are hereby repealed to the extent specified in the third column of that Schedule.

Financial  
provisions.

**17.**—(1) There shall be paid out of money provided by Parliament—

- (a) any expenses of the Secretary of State under this Act, and
- (b) any increase in the sums payable out of money provided by Parliament under any Act other than this Act which is attributable to any provision of this Act.

(2) There may be issued out of the National Loans Fund any increase in the sums so issued by virtue of paragraph 4 of Schedule 2 to this Act, and there shall be paid into the National Loans Fund any increase in the sums received by the Secretary of State by virtue of that paragraph.

**18.—(1)** In this Act—

Interpretation.

“the Act of 1972” means the Housing (Financial Provisions) (Scotland) Act 1972;

1972 c. 46.

“development corporation” has the same meaning as in section 2 of the New Towns (Scotland) Act 1968;

1968 c. 16.

“local authority” means a district or islands council;

“year” means a year ending on 31st March.

(2) Except where the context otherwise requires, any reference in this Act to any enactment is a reference to it as amended or applied by or under any other enactment, including this Act.

**19.—(1)** This Act may be cited as the Housing (Financial Provisions) (Scotland) Act 1978; and the Housing (Scotland) Acts 1966 to 1977 and this Act may be cited together as the Housing (Scotland) Acts 1966 to 1978.

Citation, commencement and extent.

(2) Subject to subsection (3) below, this Act shall come into force at the expiration of a period of one month beginning with the date on which it is passed.

**(3)** The following provisions of this Act—

section 11;

paragraphs 33, 37 and 38 of Schedule 2; and

Schedule 3 (except so far as relating to the repeal of Schedule 2, Part II and Schedule 3, Part II of the Act of 1972),

shall come into force on 1st April 1979.

(4) This Act extends to Scotland only.

## SCHEDULES

## SCHEDULE 1

## ENACTMENTS RELATING TO EXISTING EXCHEQUER PAYMENTS

## PART I

*Payments to Local Authorities*

Chapter	Act	Section
1968 c. 31.	The Housing (Financial Provisions) (Scotland) Act 1968.	Section 13.
1969 c. 34.	The Housing (Scotland) Act 1969.	Section 59(1) so far as the payments thereunder relate to land to which the housing revenue account relates.
1972 c. 46.	The Housing (Financial Provisions) (Scotland) Act 1972.	Sections 2, 3 and 4.

## PART II

*Payments to the Scottish Special Housing Association and development corporations*

Chapter	Act	Section
1968 c. 31.	The Housing (Financial Provisions) (Scotland) Act 1968.	Section 13.
1969 c. 34.	The Housing (Scotland) Act 1969.	Section 59(1).
1972 c. 46.	The Housing (Financial Provisions) (Scotland) Act 1972.	Sections 8, 9 and 10.

## PART III

*Payments to the Scottish Special Housing Association*

Chapter	Act	Section
1972 c. 46.	The Housing (Financial Provisions) (Scotland) Act 1972.	Section 12.



SCHEDULE 2

Section 16(1).

MINOR AND CONSEQUENTIAL AMENDMENTS

PART I

MINOR AMENDMENTS

*The Housing (Scotland) Act 1966 (c. 49)*

1. In section 138 (mode of provision of housing accommodation)—

(a) in subsection (3) after the word “accommodation” there shall be inserted the word “(a)”, and at the end there shall be added “(b) includes and shall be deemed always to have included the provision of a hostel.”;

(b) after subsection (3) there shall be added the following subsection—

“(4) In this section ‘hostel’ means—

(a) in relation to a building provided or converted before 3rd July 1962, a building in which is provided, for persons generally or for any class or classes of persons, residential accommodation (otherwise than in separate and self-contained dwellings) and board;

(b) in relation to a building provided or converted on or after 3rd July 1962, a building in which is provided, for persons generally or for any class or classes of persons, residential accommodation (otherwise than in houses) and either board or common facilities for the preparation of food adequate to the needs of those persons or both.”.

2. In section 145 (powers of dealing with land acquired or appropriated for purposes of Part VII)—

(a) in subsection (1)(d) after the word “houses” wherever it occurs there shall be inserted the words “or any part share thereof”;

(b) in subsection (6) after the word “house” there shall be inserted the words “or any part share thereof”.

*The Housing Subsidies Act 1967 (c. 29)*

3. In section 27(1) (qualifying lenders), after paragraph (f) there shall be inserted the following paragraph—

“(g) the Scottish Special Housing Association.”.

*The Housing (Financial Provisions) (Scotland) Act 1968 (c. 31)*

4. In section 25(1) (advances to Scottish Special Housing Association for provision or improvement of housing accommodation), after paragraph (e) there shall be inserted the following paragraphs—

“(f) enabling or assisting the Association to make loans, on such terms as the Secretary of State may determine, to persons intending to purchase housing accommodation or a part

SCH. 2

share of such accommodation provided or improved by the Association ;

- (g) enabling or assisting the Association to provide or convert buildings for use as hostels, or as parts of hostels, as defined in section 138(4) of the principal Act.”.

5. In section 49 (power to make advances to increase housing accommodation), at the end there shall be added the following subsection—

“(5) In this section any reference to a house or houses includes a reference to any part share thereof.”.

*The Housing (Scotland) Act 1969 (c. 34)*

6. In section 24 (power of local authority to secure repair of house in state of serious disrepair)—

- (a) in subsection (1)(a) after the word “works” there shall be inserted the words “necessary to rectify such defects as are” ;
- (b) in subsection (1)(b) for the words “those works” there shall be substituted the words “the rectification of those defects” ;
- (c) in subsection (2)(a) after the word “works” there shall be inserted the words “necessary to rectify the defects” ;
- (d) at the end there shall be added the following subsection—
- “(6) Any reference in this Part of this Act to a house shall be construed as including a reference to a building which comprises or includes—
- (a) a house or houses ; or
- (b) a house or houses and other premises.”.

7. In section 25 (recovery by local authority of expenses under section 24), after subsection (1) there shall be added the following subsection—

“(1A) A local authority may apportion any such expenses among the persons having control of the houses and other premises comprised in the building.”.

*The Housing (Financial Provisions) (Scotland) Act 1972 (c. 46)*

8. In section 15 (rent rebates)—

- (a) in subsections (1) and (4) after the words “to which” there shall be inserted the words “or to a part share of which” ;
- (b) in subsection (1) after the words “and which” there shall be inserted the words “or a part share of which” ;
- (c) in subsection (3) after the word “house” wherever it occurs there shall be inserted “or any part share thereof”.

9. In section 16(3) (rent allowances to private tenants)—

- (a) after the word “person” where it first occurs there shall be inserted “(a)” ;

- (b) at the end there shall be added the words “ or (b) who is a tenant of a house which has or had on the appropriate day a rateable value not exceeding £600 and who would be such a protected tenant or statutory tenant if the house of which he is a tenant has or had on the appropriate day a rateable value not exceeding £200. SCH. 2

In this subsection “ appropriate day ” means—

- (i) in relation to any house which on 1st April 1978 comprised or formed part of land and heritages for which a rateable value was shown on the valuation roll then in force, means that date, and  
(ii) in relation to any other house, means the date on which such a value is or was first shown on the valuation roll ;”.

and in paragraph (b) of this subsection any reference to a protected tenant or statutory tenant shall include a reference to such a lessee as is mentioned in paragraph (a) of this subsection.”.

10. In section 16(4), (5) and (5A) for the words “ under a tenancy which would be a protected tenancy ”, “ and his tenancy would be a protected tenancy ” and “ to which Part VII of the Act of 1971 would apply ” wherever they occur there shall be substituted the words “ where he would be a private tenant ”.

11. In section 78 (interpretation)—

(a) in subsection (1), in the definitions of “ development corporation house ” “ Scottish Special Housing Association house ” and “ standard rent ” after the word “ house ” wherever it occurs and

(b) in subsection (3) after the word “ houses ” wherever it occurs,

there shall be inserted the words “ or any part share thereof ”.

*The Land Compensation (Scotland) Act 1973* (c. 56)

12. In section 27 (right to home loss payment where person displaced from dwelling)—

(a) in subsection (1)—

(i) after paragraph (d) there shall be inserted the following paragraph—

“ (e) a requirement to remove from the building containing the dwelling in pursuance of section 13 of the Building (Scotland) Act 1959 1959 c. 24. (dangerous buildings) or any other enactment which requires the demolition of the building on account of its condition,” ;

(ii) at the end of the subsection there shall be added the following paragraph—

“ (v) where paragraph (e) above applies, the authority requiring the removal.” ;

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(b) in subsection (3A)—

(i) after the words “consequence of” there shall be inserted the word “(a)”;

(ii) after the word “dwelling” where it second occurs there shall be inserted the words “or; (b) a requirement to remove as mentioned in subsection (1)(e) above”;

(iii) at the end of the subsection there shall be added the following words “or removal as the case may be.”;

(c) at the end of subsection (9) there shall be added the following words “except that, where the displacement is in consequence of the circumstances referred to in subsection (1)(e) above, it applies if the date of displacement is on or after the coming into force of paragraph 12 of Schedule 2 to the Housing (Financial Provisions) (Scotland) Act 1978.”.

13. In section 34 (disturbance payments for persons without compensatable interests)—

(a) in subsection (1)—

(i) after paragraph (d) there shall be inserted the following paragraph—

“(e) a requirement to remove from a building on the land in pursuance of section 13 of the Building (Scotland) Act 1959 (dangerous buildings) or any other enactment which requires the demolition of the building on account of its condition.”;

(ii) at the end of the subsection there shall be added the following paragraph—

“(v) where paragraph (e) above applies, the authority requiring the removal.”;

(b) in subsection (3)—

(i) for the words “or undertaking as is mentioned in paragraph (b)” there shall be substituted the words “undertaking or requirement to remove as is mentioned in paragraph (b) or (e)”;

(ii) for the words “or the undertaking was accepted” there shall be substituted “the undertaking was accepted or he was required to remove.”;

(c) in subsection (3A)—

(i) after the words “consequence of” there shall be inserted the word “(a)”;

(ii) after the word “building” there shall be inserted the words “or; (a) a requirement to remove as mentioned in subsection (1)(e) above”;

(iii) at the end of the subsection there shall be added the following words “or removal as the case may be.”;

- (d) at the end of subsection (9) there shall be added the following words “except that, where the displacement is in consequence of the circumstances referred to in subsection (1)(e) above, it applies if the date of displacement is on or after the coming into force of paragraph 13 of Schedule 2 to the Housing (Financial Provisions) (Scotland) Acts 1978.”.

14. In section 36 (duty to re-house residential occupiers)—

- (a) in subsection (1) after paragraph (c) there shall be inserted the following paragraph—

“(d) a requirement to remove the building containing the residential accommodation in pursuance of section 13 of the Building (Scotland) Act 1959 (dangerous buildings), or any other enactment which requires the demolition of the building on account of its condition,”;

- (b) in subsection (6)—

(i) for the words “or undertaking as is mentioned in paragraph (b)” there shall be substituted “undertaking or requirement as is mentioned in paragraph (b) or (d)”;

(ii) for the words “or the undertaking was accepted” there shall be substituted “the undertaking was accepted or he was required to remove.”.

*The Housing Act 1974* (c. 44)

15. At the end of paragraph 4 of Schedule 10A (rehabilitation orders), there shall be added the following sub-paragraph—

“(7) Any reference in sub-paragraph (2), (5) or (6) above to a house being improved or brought up to the full standard shall be construed as including a reference to a house, after integration with any other house to which this Part of this Schedule applies and which does not comply with the full standard, being improved or brought up to the full standard.”.

*The Housing (Scotland) Act 1974* (c. 45)

16. In section 1 (power of local authorities to make improvement grants)—

- (a) in subsection (3) after the word “enlargement” there shall be inserted the words “and in relation to a house for a disabled occupant, includes the doing of works required for making it suitable for his accommodation, welfare or employment,”;

- (b) at the end there shall be added the following subsection—

“(4) In this section—

“disabled occupant” means a disabled person for whose benefit it is proposed to carry out works in respect of which an improvement grant is sought;

## SCH. 2

“disabled person” means a person who is substantially handicapped by illness, injury or congenital deformity ;

“house for a disabled occupant” means a house which—

(a) is a disabled occupant’s only or main residence when an application for an improvement grant in respect of it is made ; or

(b) is likely in the opinion of the local authority to become a disabled occupant’s only or main residence not later than the expiry of a reasonable period after the completion of the works in respect of which an improvement grant is sought.”.

17. In section 3 (conditions for approval of applications for improvement grant other than applications relating exclusively to the provision of standard amenities), for subsections (2) and (3) there shall be substituted the following subsections—

“(2) A local authority shall not approve any such application—

(a) unless, subject to subsection (4) below, they are satisfied that—

(i) the house or houses to which the application for an improvement grant relates will provide satisfactory housing accommodation for such period and conform with such requirements with respect to construction and physical condition and the provision of services and amenities as may be specified for the time being for the purposes of this section by the Secretary of State, and

(ii) in a case where the house or houses to which the said application relates is or are comprised in a building containing more than one house, the works to be carried out on the house or houses will not prevent the improvement of any other house in that building ;

(b) if the application is in respect of the improvement or conversion of a house provided after 15th June 1964, but the Secretary of State may give directions, either generally or with respect to any particular case, as to the waiving of this provision ;

(c) if, subject to subsection (5) below, the house to which the application relates or any part thereof is to be occupied by the owner thereof after the completion of the works and—

(i) had on the date of the application a rateable value in excess of the prescribed limit, or

(ii) if the said house or part thereof is to be provided by the conversion of premises consisting of

or including two or more houses, the aggregate of the rateable values of those houses on the said date was in excess of the prescribed limit.

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(3) In subsection (2)(c) above—

“prescribed limit” means such limit of rateable value as the Secretary of State with the consent of the Treasury may prescribe; and different limits may be so prescribed in relation to houses to be improved and houses to be provided by the conversion of a house or houses and in relation to houses in different areas;

“rateable value” means the rateable value entered in the valuation roll and in force on the date of the application.

(4) The local authority may, with the approval of the Secretary of State, disregard any requirement specified by him under subsection (2)(a)(i) above in any case where, in the opinion of the local authority, conformity with that requirement would not be practicable at a reasonable expense.

(5) Subsection (2)(c) above shall not apply—

(a) in relation to an application for an improvement grant for the conversion of a building which does not at the date of the application consist of or include a house; or

(b) to a house which is to be occupied by a disabled person (as defined in section (1)(4) of this Act) in so far as the application is in respect of works which his disability renders necessary if the house is to be suitable for his accommodation, welfare or employment.”

18. In section 5 (amount of improvement grant)—

(a) after subsection (1) there shall be inserted the following subsection—

“(1A) A different percentage may be prescribed in pursuance of subsection (1) above for a particular case or class of case.”;

(b) in subsection (5), for the words from “which by virtue” to the end of the subsection there shall be substituted the words “payable in relation to that improvement grant shall, when added to the unrepaid amount, if any, of that previous grant or assistance, not exceed 50 per cent., or such other percentage as may be prescribed in pursuance of subsection (1) or (1A) above, of the maximum approved expense so prescribed.”.

19. In section 7 (duty of local authorities to make improvement grants where an application relates exclusively to the provision of standard amenities), after subsection (1) there shall be inserted the following subsection—

“(1A) A local authority shall not make an improvement grant under this section in respect of a house comprised in a

## SCH. 2

building containing more than one house, unless they are satisfied that the works to be carried out on the house will not prevent the improvement of any other house in that building.”.

20. In section 9(9) (registration of conditions to be observed with respect to houses in respect of which an improvement grant has been made)—

- (a) after the words “ they shall ” there shall be inserted the words “ (i) where the applicant for the grant was not a tenant-at-will ” ;
- (b) after the word “ specifying ” there shall be inserted the words “ (ii) where that applicant was a tenant-at-will, keep a written record of ” ;
- (c) after the word “ recording ” there shall be inserted the words “ in the Register of Sasines ”.

21. In section 11 (application of Part I to houses in a housing action area), in subsection (6)—

- (a) for the words “ owners of houses situated in housing action areas ” there shall be substituted the words “ an owner of a house situated in a housing action area ” ;

(b) at the end there shall be added the following proviso—

“ Provided that an improvement grant shall not be made in pursuance of this subsection in respect of a house which is comprised in a building containing more than one house, if the local authority are of the opinion that the improvement works to be carried out on that house would prevent any other house in that building from being brought up to the standard specified as aforesaid.”.

22. In section 15 (declaration of housing action areas for demolition)—

(a) in subsection (2) after the word “ but ” there shall be inserted the word “ (a) ” and at the end there shall be added the words “ (b) there may be excluded from demolition any part of a building which is used for commercial purposes.” ;

(b) in subsection (3) after the word “ section ” there shall be inserted the words “ and sections 16 and 17 of this Act ”.

23. In section 16(4) (declaration of housing action areas for improvement)—

(a) after the word “ which ” there shall be inserted the word “ (a) ” ;

(b) after the words “ amenities or ” there shall be inserted the word “ (b) ” ;

(c) at the end there shall be added the words “ or (c) is not in a good state of repair (disregarding the state of internal decorative repair) having regard to the age, character and locality of the house.”.



24. In section 17 (declaration of housing action areas for demolition and improvement)—

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(a) in subsection (4) after the word “authority” there shall be inserted the word “(a)” and at the end there shall be added the words “and (b) may exclude from demolition any part of such a building which is used for commercial purposes.”;

(b) in subsection (5)—

(i) after the word “which” there shall be inserted the word “(a)”;

(ii) after the words “amenities or” there shall be inserted the word “(b)”;

(iii) at the end there shall be added the words “or (c) is not in a good state of repair (disregarding the state of internal decorative repair) having regard to the age, character and locality of the house.”.

25. In section 30 (payments in respect of well-maintained houses)—

(a) in subsection (1) for the words from “Secretary of State” where they first occur to “authority of” there shall be substituted the words “local authority are satisfied that it has been well maintained, they shall make”;

(b) after subsection (2) there shall be added the following subsections—

“(3) The local authority shall, along with the notice which they serve on any person under paragraph 3(b) of Schedule 1 to the Acquisition of Land (Authorisation Procedure) (Scotland) Act 1947 in respect of the compulsory purchase of a house under this Part of this Act, enclose a notice stating, subject to the calculation to be made under the said section 21, whether or not they intend to make a payment under this section in respect of the house.

(4) Any person aggrieved by a notice under subsection (3) above which states that the local authority do not intend to make a payment under this section in respect of a house may, within 21 days of service on him of that notice, refer the matter to the Secretary of State; and the Secretary of State may, if he thinks it appropriate to do so (after, if he considers it necessary, causing the house to be inspected by one of his officers), direct the local authority to make such a payment.”.

26. In section 44(1) (power of local authority to arrange for the execution of works of improvement by agreement with the owner)—

(a) after the word “improvement” there shall be inserted the words “or of repair”;

(b) for the words “Parts I and II of this Act apply” there shall be substituted the words “Part I or Part II of this Act or Part II of the Housing (Scotland) Act 1969 applies”.

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27. After section 44 there shall be inserted the following section—

“Conditions 44A. Where a house on land acquired or appropriated  
may be by a local authority for the purposes of Part VII of the  
attached to sale of below- Housing (Scotland) Act 1966 lacks one or more of the  
standard standard amenities or does not meet the tolerable stan-  
local author- dard, the local authority may make the sale by them  
ity houses. of that house conditional on the purchaser providing the  
house with the standard amenities which it lacks or  
bringing the house up to the tolerable standard.”

28. In section 49(3) (interpretation)—

- (a) in the definition of “owner” after the words “2(3)(a) of this Act” there shall be inserted the words “and a tenant-at-will”;
- (b) in the definition of “prescribed”, in paragraph (a) for the words “sections 5(1) and (3), 7(4) and 11(9)” there shall be substituted the words “section 7(4) and in sections 5(1) and 10A(4) so far as relating to a percentage” and in paragraph (b) for the words “3(2)(c)(i)” there shall be substituted the words “3(3)”.

29. In paragraph 7 of Schedule 2 (consequences of breach of conditions under section 9)—

- (a) after the words “authority shall” there shall be inserted the words “(a) where the applicant for the grant was not a tenant-at-will,”;
- (b) after the word “stating” there shall be inserted the words “(b) where that applicant was a tenant-at-will, keep a written record of the fact”;
- (c) after the word “recording” there shall be inserted the words “in the Register of Sasines”.

## PART II

### CONSEQUENTIAL AMENDMENTS

#### *The Housing (Scotland) Act 1969 (c. 34)*

30. In section 18(1) (right to and amount of payments to certain owner occupiers), before the words “26 of the Housing” there shall be inserted the words “14A or”.

31. In section 19 (house subject to heritable security or purchased by instalments), before the words “26 of the Housing” there shall be inserted the words “14A or”.

32. In section 20(1) (interpretation of sections 18 and 19), after paragraph (d) there shall be added the following paragraph—

- “(e) if the house was compulsorily purchased under section 14A(4) of the Housing (Scotland) Act 1974, the date when and the authority by whom the order was served:”.

*The Housing (Financial Provisions) (Scotland) Act 1972* (c. 46)

SCH. 2

33. In section 1 (introduction of new housing subsidies)—

(a) for subsection (2) there shall be substituted the following subsection—

“ (2) The said subsidies are—

1. The rent rebate subsidy.
2. The rent allowance subsidy.
3. The slum clearance subsidy.”;

(b) in subsection (3) for the words “ subsidies set out in this subsection ” there shall be substituted the words “ rent rebate subsidy ”, and the words from “ The said subsidies ” to the end shall cease to have effect.

34. In section 5(2) (the rent rebate subsidy), in the Table for the words—

“ 1975-76 and subsequent years	...	...	75 per cent.”
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there shall be substituted the words—

“ 1975-76, 1976-77 and 1977-78	...	...	75 per cent.
1978-79 and subsequent years	...	...	90 per cent.”.

35. In section 6 (the rent allowance subsidy)—

(a) in subsection (2), after the words “ for any year ” there shall be inserted the words “ up to and including the year 1977-78 ” and in column 1 of the Table for the words “ and subsequent years ” there shall be substituted the words “, 1976-77 and 1977-78 ”;

(b) at the end there shall be added the following subsection—

“ (5) The amount of rent allowance subsidy payable to a local authority for the year 1978-79 or any subsequent year shall be 90 per cent. of the local authority’s standard amount of rent allowances for the year as defined for the purposes of Part II of this Act.”.

36. In section 22(1) (interpretation of Part II), for the definition of “ supplementary benefit ” there shall be substituted the following definition “ “ supplementary benefit ” means benefit under Part I of the Supplementary Benefits Act 1976 except that it does not include benefit under section 3 (benefit to meet exceptional needs) of that Act ; ”.

37. In paragraph 1 of Schedule 4 (amounts to be credited to the housing revenue account)—

(a) for sub-paragraph (1)(c) there shall be substituted the following—

“ (c) the housing support grant payable to the local authority for that year ; ”;

(b) for sub-paragraph (1)(e) and (1)(f) there shall be substituted the following—

“ (e) any income receivable by the local authority for that year in respect of all such buildings as are referred to in section 23(1)(f) of this Act ; ”.

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38. In paragraph 2 of Schedule 4 (amounts to be debited to the housing revenue account)—

(a) at the end of the proviso to sub-paragraph (a) there shall be added the following words “or in respect of any house to which the account relates and which is disposed of after the coming into force of the Housing (Financial Provisions) (Scotland) Act 1978.”;

(b) after sub-paragraph (c) there shall be inserted the following—

“ (cc) the expenditure incurred by the local authority for that year in respect of all such buildings as are referred to in section 23(1)(f) of this Act ; ”.

*The Land Compensation (Scotland) Act 1973 (c. 56)*

39. In section 27(7) (home loss payments), at the end of paragraph (a) there shall be added the words “or an order under section 14A of the Housing (Scotland) Act 1974 ; ”.

*The Housing (Scotland) Act 1974 (c. 45)*

40. In section 6(1)(b) (payment of improvement grant) for the words “or 7(4)” there shall be substituted “7(4) or 10A(4)”.

41. In section 11 (application of Part I to houses in a housing action area)—

(a) in subsection (1) for the word “(6)” there shall be substituted the word “(7)”;

(b) for subsections (7) to (10) there shall be substituted the following subsection—

“ (7) In section 10A—

(a) for subsections (1) and (2) there shall be substituted the following subsections—

“ (1) Subject to the following provisions of this section, a local authority shall make a repairs grant if an application is made in accordance with those provisions and approved by them in such circumstances as they think fit.

(2) A local authority shall not approve an application under this section unless on completion of the works the house will attain the standard specified in the resolution passed under section 16 or 17 of this Act.”;

(b) in subsection (4), at the beginning there shall be inserted the words “Subject to section 11(5) of this Act” and for the words “50 per cent.” there shall be substituted the words “75 per cent.”;

(c) in subsection (5) after the words “section 7” there shall be inserted the words “and subsection (3), (4) and (5) of section 11 of this Act”.

42. In section 29(2) (compensation in respect of land acquired compulsorily)— SCH. 2

(a) after the word “which” there shall be inserted the word “either”; and

(b) after the word “standard” there shall be inserted the words “or is specified in an improvement order under section 14A(1) of this Act.”.

43. In section 43(1) (exclusion of houses controlled by Crown), after the words “Part II of this Act” there shall be inserted the words “or no order under section 14A of this Act”.

Section 16(2).

## SCHEDULE 3

## REPEALS

Chapter	Short title	Extent of repeal
12 & 13 Geo. 6. c. 61.	The Housing (Scotland) Act 1949.	Section 27.
14 Geo. 6. c. 34.	The Housing (Scotland) Act 1950.	Sections 89 and 105.
1968 c. 31.	The Housing (Financial Provisions) (Scotland) Act 1968.	Sections 13, 14, 15, 18 and 21.
1969 c. 34.	The Housing (Scotland) Act 1969.	Sections 31 and 32. Section 59 so far as relating to land to which the housing revenue account relates. Section 59A so far as relating to Section 59 of that Act.
1972 c. 46.	The Housing (Financial Provisions) (Scotland) Act 1972.	In section 1(3) the words from "The said subsidies" to the end. Sections 2, 3 and 4. Sections 8, 9 and 10. Section 12. In Schedule 2, Part II. In Schedule 3, Part II.
1974 c. 44.	The Housing Act 1974.	Section 107.
1974 c. 45.	The Housing (Scotland) Act 1974.	In Schedule 3, paragraph 44.

PRINTED IN ENGLAND BY BERNARD M. THIMONT

Controller of Her Majesty's Stationery Office and Queen's Printer of Acts of Parliament

**c. 14** *Housing (Financial Provisions) (Scotland) Act 1978*

LONDON: PUBLISHED BY HER MAJESTY'S STATIONERY OFFICE

70p net

ISBN 0 10 541478 6

(37770)