



Housing (Scotland) Act 2006

2006 asp 1

PART 7

REPAYMENT CHARGES

172 Repayment charges

- (1) A local authority entitled to recover a sum under section 59(1) or (2) [^{F1}, section 61(3A), subsection (6A) below][^{F2}, paragraph 6(1) of schedule 5 or section 4A(5) of the Tenements (Scotland) Act 2004 (asp 11)] may make in favour of itself a charge (a “repayment charge”)—
- (a) specifying the repayable amount and the [^{F3}property] concerned, ^{F4}...
 - (b) providing that the [^{F3}property] concerned is charged with the repayable amount.
 - [^{F5}(c) providing that the repayable amount is payable in the number of equal annual instalments and on the date in each year determined under subsection (3)(a),
 - (d) providing that in default of such payment each instalment, together with any amount recoverable in respect of that instalment under subsection (6A), is to be separately recoverable as a debt, and
 - (e) providing that if immediately after the final instalment falls due any balance of the repayable amount remains unpaid, that balance is immediately due for repayment and is recoverable as a debt.]
- (2) The repayable amount is the lowest of—
- (a) the amount recoverable under section 59(1) or (2) [^{F6}, section 61(3A), subsection (6A) below, paragraph 6(1) of schedule 5 or section 4A(5) of the Tenements (Scotland) Act 2004],
 - (b) any lower amount determined by the local authority, and
 - (c) any amount which the Scottish Ministers by order prescribe as the maximum repayable amount.
- [^{F7}(3) The local authority must—
- (a) determine—
 - (i) the number of equal annual instalments, being no fewer than 5 and no more than 30, in which the repayable amount is to be paid, and
 - (ii) the date in each year on which the instalment becomes due, and

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- (b) notify the owner of its determination under paragraph (a).]
- (4) The local authority must register a repayment charge in the appropriate land register.
- [^{F8}(4A) The owner of a property who is liable for the repayable amount does not, by virtue only of ceasing to be such an owner, cease to be liable for the repayable amount.]
- (5) The owner of, or any other person interested in, any [^{F9}property] subject to a repayment charge may at any time redeem the repayable amount early by paying to the local authority—
- (a) such sum as the owner or other person may agree with the local authority, or
 - (b) failing such agreement, such sum as the Scottish Ministers may determine.
- (6) The local authority must, on receiving—
- (a) payment of the repayable amount in accordance with the repayment charge, or
 - (b) a sum redeeming the repayable amount under subsection (5),
- register a discharge of the repayment charge in the appropriate land register.
- [^{F10}(6A) A local authority may recover—
- (a) the amount of any fee payable in respect of registering a repayment charge or a discharge of such a charge,
 - (b) any administrative expenses incurred by it in connection with the registration, and
 - (c) interest, at such reasonable rate as it may determine, from the date when a demand for payment is served until the whole amount is paid,
- from the owner of the [^{F11}property] concerned.]
- [^{F12}(6B) Subsection (6A)(c) does not apply where the recoverable amount relates to a sum the local authority is entitled to recover under section 4A(5) of the Tenements (Scotland) Act 2004 (asp 11).]
- (7) Where a repayment charge is made in respect of expenses incurred by a local authority in demolishing a house, references in this section and in section 173 to [^{F13}property] are to be read as references to the site of the demolished house.
- (8) This section does not apply in relation to—
- (a) the recovery of sums under section 59(2) from a landlord who is not the owner of the [^{F14}property] concerned,
 - (b) [^{F14}property] which is not a building.
- [^{F15}(9) In this section and in section 173, “ property ” means a place which is—
- (a) living accommodation, or
 - (b) non-residential premises within the meaning of section 69(3).]

Textual Amendments

- F1** Words in s. 172(1) inserted (1.3.2011) by [Housing \(Scotland\) Act 2010 \(asp 17\)](#), **ss. 150(4)(a)**, 166(2); [S.S.I. 2011/96](#), art. 2, Sch.
- F2** Words in s. 172(1) substituted (1.4.2015) by [Housing \(Scotland\) Act 2014 \(asp 14\)](#), **ss. 85(2)(a)**, 104(3); [S.S.I. 2015/122](#), art. 2
- F3** Word in s. 172(1) substituted (1.4.2015) by [Housing \(Scotland\) Act 2014 \(asp 14\)](#), **ss. 90(1)(a)**, 104(3); [S.S.I. 2015/122](#), art. 2

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- F4** Word in s. 172(1) repealed (1.4.2015) by Housing (Scotland) Act 2014 (asp 14), **ss. 91(1)(a)(i)**, 104(3); S.S.I. 2015/122, art. 2
- F5** S. 172(1)(c)-(e) inserted (1.4.2015) by Housing (Scotland) Act 2014 (asp 14), **ss. 91(1)(a)(ii)**, 104(3); S.S.I. 2015/122, art. 2
- F6** Words in s. 172(2)(a) substituted (1.4.2015) by Housing (Scotland) Act 2014 (asp 14), **ss. 85(2)(b)**, 104(3); S.S.I. 2015/122, art. 2
- F7** S. 172(3) substituted (1.4.2015) by Housing (Scotland) Act 2014 (asp 14), **ss. 91(1)(b)**, 104(3); S.S.I. 2015/122, art. 2
- F8** S. 172(4A) inserted (1.4.2015) by Housing (Scotland) Act 2014 (asp 14), **ss. 91(1)(c)**, 104(3); S.S.I. 2015/122, art. 2
- F9** Word in s. 172(5) substituted (1.4.2015) by Housing (Scotland) Act 2014 (asp 14), **ss. 90(1)(b)**, 104(3); S.S.I. 2015/122, art. 2
- F10** S. 172(6A) inserted (1.3.2011) by Housing (Scotland) Act 2010 (asp 17), **ss. 150(4)(b)**, 166(2); S.S.I. 2011/96, art. 2, Sch.
- F11** Word in s. 172(6A) substituted (1.4.2015) by Housing (Scotland) Act 2014 (asp 14), **ss. 90(1)(c)**, 104(3); S.S.I. 2015/122, art. 2
- F12** S. 172(6B) inserted (1.4.2015) by Housing (Scotland) Act 2014 (asp 14), **ss. 85(2)(c)**, 104(3); S.S.I. 2015/122, art. 2
- F13** Word in s. 172(7) substituted (1.4.2015) by Housing (Scotland) Act 2014 (asp 14), **ss. 90(1)(d)**, 104(3); S.S.I. 2015/122, art. 2
- F14** Word in s. 172(8) substituted (1.4.2015) by Housing (Scotland) Act 2014 (asp 14), **ss. 90(1)(e)**, 104(3); S.S.I. 2015/122, art. 2
- F15** S. 172(9) inserted (1.4.2015) by Housing (Scotland) Act 2014 (asp 14), **ss. 90(1)(f)**, 104(3); S.S.I. 2015/122, art. 2

Changes to legislation:

There are currently no known outstanding effects for the Housing (Scotland) Act 2006, Section 172.