



# Housing (Scotland) Act 1987

## 1987 CHAPTER 26

### PART IX

#### GOVERNMENT GRANTS AND SUBSIDIES

##### *Housing support grants to local authorities*

#### **191 Housing support grants: fixing of aggregate amount**

- (1) For the purpose of assisting local authorities to meet reasonable housing needs in their areas, the Secretary of State shall make housing support grants in accordance with the provisions of this Part.
- (2) Subject to subsection (5), for the purpose of fixing the aggregate amount of the housing support grants for any year, the Secretary of State shall, in respect of all local authorities, 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 (other than housing support grants) which could reasonably be expected to be credited to the local authorities' housing revenue accounts for that year,and the amount remaining after deducting the amount mentioned in paragraph (b) from the amount mentioned in paragraph (a) shall, subject to subsection (4) and section 193, 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) 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

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- (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 any 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 193 respectively.
- (5) In estimating the amounts mentioned in paragraphs (a) and (b) of subsection (2) the Secretary of State may leave out of account the eligible expenditure and relevant income of a local authority if (either or both)—
  - (a) he estimates that the amount of that income will exceed the amount of that expenditure;
  - (b) he determines, under section 192, that no proportion of the aggregate amount of the housing support grants is to be apportioned to that authority.
- (6) In subsection (4), "local authorities" does not include an authority whose eligible expenditure was, for the purpose of the estimate, left out of an account under subsection (5).
- (7) The aggregate amount of the housing support grants, fixed in accordance with subsection (2) for any year, shall be set out in a housing support grant order made by the Secretary of State with the consent of the Treasury.
- (8) A housing support grant order may be made in respect of any year before the beginning of that year.
- (9) 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.
- (10) 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 15;
  - "relevant income", in relation to any year, means the income, payments, contributions (including any rate fund contribution) and receipts which a local authority are required to credit to their housing revenue account for that year in pursuance of that Schedule.

## **192 Apportionment of housing support grants**

- (1) Subject to the provisions of this section, the proportion, if any, 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.
- (2) A prescribed portion of the aggregate amount may be apportioned to a particular local authority.

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- (3) The report accompanying a housing support grant order in accordance with section 191(9) shall contain a table showing in respect of each local authority, for the year in question—
  - (a) the estimated amount of grant payable to that local authority; or
  - (b) if no amount of grant is so payable, that fact.
- (4) In prescribing the method of determining the proportion, if any, of the aggregate amount of the housing support grants payable to a local authority for any 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 proportion payable to them for a previous year.
- (5) In prescribing the method of determining the proportion mentioned in subsection (1) payable for any year to a local authority the Secretary of State shall have regard to any special needs affecting eligible expenditure.
- (6) The Secretary of State may, for any year (in this subsection referred to as "the current year"), prescribe such method of determining that 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.
- (7) In this section "prescribed" means prescribed by a housing support grant order.

### **193 Variation of orders**

- (1) Subject to the provisions of this section, the Secretary of State may re-estimate the aggregate amount of eligible expenditure estimated under section 191.
- (2) He shall first consult such associations of local authorities as appear to him to be concerned.
- (3) Then if it appears to him—
  - (a) that after that amount 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 means of changes which have taken place or are likely to take place in the level of the matters specified in section 191(3)(b), and
  - (b) that inadequate account was taken of those changes when that amount was estimated,he may re-estimate that amount.
- (4) On such re-estimate he may, by an order made in the like manner and subject to the same provisions as a housing support grant order, 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.
- (5) 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.