STATUTORY INSTRUMENTS

1974 No. 1005

HOUSING, ENGLAND AND WALES

HOUSING, SCOTLAND

The Assistance for House Purchase and Improvement (Increase of Subsidy) Order 1974

Laid before the House of Commons in draft

Made - - - 10*th June* 1974

Coming into Operation 1*st July* 1974

The Secretary of State for the Environment, the Secretary of State for Wales and the Secretary of State for Scotland, acting jointly in exercise of their powers under subsections (3), (4) and (5) of section 28 of the Housing Subsidies Act 1967(**a**) (added to that section by section 78 of the Housing Act 1969(**b**))(**c**) and of all other powers enabling them in that behalf, with the approval of the Treasury, hereby make the following order in the terms of a draft which has been laid before the Commons House of Parliament and has been approved by a resolution of that House:—

1. This order may be cited as the Assistance for House Purchase and Improvement (Increase of Subsidy) Order 1974 and shall come into operation on 1st July 1974.

2.—(1) In this order—

"the Act" means the Housing Subsidies Act 1967;

"the 1969 Order" means the Assistance for House Purchase and Improvement (Increase of Subsidy) Order 1969(**d**); and

"the 1973 Order" means the Assistance for House Purchase and Improvement (Increase of Subsidy) Order 1973(**e**).

(2) The Interpretation Act 1889(**f**) shall apply for the interpretation of this order as it applies for the interpretation of an Act of Parliament.

(**a**) 1967 c. 29. (**b**) 1969 c. 33.
(**c**) The powers conferred on the Minister of Housing and Local Government are now exercisable by the Secretary of State for the Environment under S.I. 1970/1681 (1970 III, p. 5551).
(**d**) S.I. 1969/1626 (1969 III, p. 5120). (**e**) S.I. 1973/1928 (1973 III, p. 6671).
(**f**) 1889 c. 63.

3. With respect to interest payable for any period beginning on or after 1st August 1974 under a contract requiring repayment of a loan subsidised under Part II of the Act, the 1969 Order (as varied by the 1973 Order) shall be varied and have effect as follows:—

(*a*) in article 3, for the words "seven per cent. per annum" there shall be substituted the words "6·4 per cent. per annum";

(*b*) in article 4, for the date "1st January 1974" there shall be substituted the date "1st August 1974"; and

(*c*) for the Schedule, there shall be substituted the following Schedule—

" SCHEDULE

(1) Rate of Interest	(2) Higher Percentage	(3) Higher Percentage
Exceeding 6·4 per cent. per annum but not exceeding 7·0 per cent. per annum.	2·2 per cent.	1·95 per cent.
Exceeding 7·0 per cent. per annum but not exceeding 7·6 per cent. per annum.	2·4 per cent.	2·15 per cent.
Exceeding 7·6 per cent. per annum but not exceeding 8·2 per cent. per annum.	2·6 per cent.	2·35 per cent.
Exceeding 8·2 per cent. per annum but not exceeding 8·8 per cent. per annum.	2·8 per cent.	2·55 per cent.
Exceeding 8·8 per cent. per annum but not exceeding 9·4 per cent. per annum.	3·0 per cent.	2·75 per cent.
Exceeding 9·4 per cent. per annum but not exceeding 10·0 per cent. per annum.	3·2 per cent.	2·95 per cent.
Exceeding 10·0 per cent. per annum but not exceeding 10·6 per cent. per annum.	3·4 per cent.	3·15 per cent.
Exceeding 10·6 per cent. per annum but not exceeding 11·2 per cent. per annum.	3·6 per cent.	3·35 per cent.
Exceeding 11·2 per cent. per annum but not exceeding 11·8 per cent. per annum.	3·8 per cent.	3·55 per cent.
Exceeding 11·8 per cent. per annum.	4·0 per cent.	3·75 per cent.

"

29th May 1974.

Anthony Crosland,
Secretary of State for the Environment.

30th May 1974.

John Morris,
Secretary of State for Wales.

3rd June 1974.

William Ross,
Secretary of State for Scotland.

We approve.

Donald R. Coleman,
James A. Dunn,
Two of the Lords Commissioners of Her Majesty's Treasury.

10th June 1974.

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order increases option mortgage subsidy payable under Part II of the Housing Subsidies Act 1967 in respect of interest payable under option mortgages for any period beginning on or after 1st August 1974 where the rate of interest for the time being exceeds 6·4 per cent. per annum.

The Order substitutes new scales of percentages for the existing scales set out in the Schedule to the Assistance for House Purchase and Improvement (Increase of Subsidy) Order 1969 ("the 1969 Order"), as varied by the Assistance for House Purchase and Improvement (Increase of Subsidy) Order 1973.

The new scales of percentages begin with a rate of interest exceeding 6·4 per cent. per annum, instead of 7 per cent. per annum under the existing scales, and rise by steps of 0·6 per cent. per annum instead of 0·875 ($\frac{7}{8}$) per cent. per annum under the existing scales.

The new scale of percentages in column (2) of the Schedule applies in the case of annuity mortgages and fixed instalment mortgages and the new scale of percentages in column (3) of the Schedule applies in the case of endowment mortgages and standing mortgages.

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