STATUTORY INSTRUMENTS

1982 No. 904

LOCAL GOVERNMENT, ENGLAND AND WALES
LOCAL GOVERNMENT, SCOTLAND

The Housing Benefits (Subsidy) (No. 2) Order 1982

Made - - -	*2nd July* 1982
Laid before Parliament	*8th July* 1982
Coming into Operation	*1st April* 1983

The Secretary of State for Social Services, in exercise of the powers conferred upon him by sections 32(2) and 45(2) of the Social Security and Housing Benefits Act 1982(**a**) and section 166(2) of the Social Security Act 1975(**b**) (as applied by section 45(1) of the 1982 Act) and of all other powers enabling him in that behalf, having, in accordance with section 36(1) of the 1982 Act, consulted with organisations appearing to him to be representative of the authorities concerned, and with the consent of the Treasury, hereby makes the following order:—

Citation and commencement

1. This order may be cited as the Housing Benefits (Subsidy) (No. 2) Order 1982 and shall come into operation on 1st April 1983.

Interpretation

2. In this order, unless the context otherwise requires:—

"an authority" means a rating, housing or local authority;

"the 1982 Act" means the Social Security and Housing Benefits Act 1982; and

"standard amount of rate rebates", "standard amount of rent rebates" or "standard amount of rent allowances" means the amount of rate rebates, rent rebates or rent allowances, as the case may be, that would have been granted under the provisions of the Housing Benefits Regulations 1982, if:—

(i) regulation 4 of those regulations did not permit any modification of the statutory schemes for the purposes of section 30(1) of the 1982 Act (local schemes); and

(ii) regulation 22 of those regulations were omitted.

(**a**) 1982 c.24. (**b**) 1975 c.14.

Subsidy

3. The rate rebate subsidy, rent rebate subsidy and rent allowance subsidy payable to an authority under section 32(1) of the 1982 Act for the financial year beginning 1st April 1983 shall be the sum of the amounts set out in article 4 and article 6 or 7, as the case may be, of this order.

Rebates and allowances

4. The amount to be taken into account under article 3 above, having regard to section 32(2)(*a*) and (*b*) of the 1982 Act, shall be:–

(i) in the case of rate rebates, rent rebates or rent allowances, as the case may be, to which regulation 9 of the Housing Benefits Regulations 1982 applies:—

(*a*) where the authority is a new town corporation, the Scottish Special Housing Association, or the Development Board for Rural Wales, 100% of those rebates granted during the year;

(*b*) for any other authority, 100.6% of those rebates or allowances granted during the year; and

(ii) in the case of all other rebates or allowances:—

(*a*) where the authority is a new town corporation in Scotland or the Scottish Special Housing Association, 100% of the authority's standard amount of rent rebates for the year;

(*b*) for any other authority, 90% of its standard amount of rate rebates, rent rebates or rent allowances, as the case may be, for the year.

5. For the purposes of articles 6 and 7 below, the total of the costs incurred by an authority during the year are not to include any costs incurred under the provisions of regulations 47 to 49 of the Housing Benefits Regulations 1982, with the exception of costs incurred under regulation 48(7).

6. Subject to article 5 above, the amount to be taken into account under article 3 above, having regard to section 32(2)(*c*) of the 1982 Act, in the case of a new town corporation, the Scottish Special Housing Association or the Development Board for Rural Wales is 100% of the difference between—

(1) the total of the costs incurred by an authority on administering rent rebates during the year; and

(2) an amount which represents the difference between the expenditure which the authority reasonably estimates it would have incurred during the year on—

(*a*) debt charges incurred by the authority as a result of rent arrears; and

(*b*) the costs of rent collection;

if Part II of the Housing Finance Act 1972(**a**) or Part II of the Housing (Financial Provisions) (Scotland) Act 1972(**b**) had continued in force as on 21st November 1982 and the 1982 Act had not been passed; and the expenditure which the authority actually incurred on (*a*) and (*b*) above.

(**a**) 1972 c.47. (**b**) 1972 c.46.

7. Subject to articles 5 and 6 above, the amount to be taken into account under article 3 above, having regard to section 32(2)(*c*) of the 1982 Act is 100% of the difference between—

(1) the total of the costs incurred by an authority on administering rate rebates, rent rebates or rent allowances, as the case may be, during the year; and

(2) the sum of the following amounts:—

(*a*) the amount of expenditure which the authority reasonably estimates that it would have incurred during the year in administering—

(i) rate rebates granted under the Rate Rebate Regulations 1978(**a**) or under the Rate Rebate (Scotland) Regulations 1974(**b**); or

(ii) rent rebates or rent allowances granted under Part II of the Housing Finance Act 1972 or under Part II of the Housing (Financial Provisions) (Scotland) Act 1972

if those provisions had continued in force as on 21st November 1982 and the 1982 Act had not been passed; and

(*b*) an amount which represents the difference between the expenditure which the authority reasonably estimates it would have incurred during the year on—

(i) debt charges incurred by the authority as a result of rate and rent arrears; and

(ii) the costs of rate and rent collection;

if the provisions referred to in sub-paragraph (*a*) above had continued in force as on 21st November 1982 and the 1982 Act had not been passed; and the expenditure which the authority actually incurred on (i) and (ii) above.

Signed by Authority of the Secretary of State for Social Services.

1st July 1982.

Hugh Rossi,
Minister for Social Security,
Department of Health and Social Security.

We consent,

P. L. Brooke,
J. A. Cope,
Two of the Lords Commissioners
of Her Majesty's Treasury.

2nd July 1982.

(**a**) S.I. 1978/1504. (**b**) S.I. 1974/600.

EXPLANATORY NOTE

(*This Note is not part of the Order.*)

This Order sets out the basis on which the subsidy payable to authorities who grant rate rebates, rent rebates or rent allowances under the 1982 Act is to be calculated for the financial year beginning on 1st April 1983.

Article 4 sets out the basis on which the costs of rebates and allowances granted are to be taken into account and articles 5 to 7 set out the basis on which administration costs are to be taken into account.

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