

**National Assembly For Wales**

**The Housing Revenue Account (Rent Rebate Subsidy Deductions)  
(Wales) Direction 2006**

The National Assembly for Wales (“the Assembly”), as respects all housing authorities in Wales, in exercise of the powers conferred upon the Secretary of State by section 87 of, and item 10 of Part 2 of Schedule 4 to the Local Government and Housing Act 1989<sup>1</sup>, which are now vested in the Assembly, after consulting such representatives of local government and relevant professional bodies as appear to it to be appropriate, hereby directs as follows:

**Title, application and interpretation**

1. This Direction is called the Housing Revenue Account (Rent Rebate Subsidy Deductions) (Wales) Direction 2006.
2. Subject to paragraphs 6 and 7, the Direction applies in respect of rent rebate subsidies payable to an authority towards rent rebates granted on or after 1 April 2004 for council housing.
3. In this Direction:-
  - “authority” means a local housing authority in Wales;
  - “council housing” means accommodation provided by an authority to a secure tenant under the Housing Act 1985<sup>2</sup>;
  - “relevant fund” means the authority’s council fund within the meaning of section 38(1) of the Local Government (Wales) Act 1994<sup>3</sup>;
  - “the Subsidy Order” means the Income-related Benefits (Subsidy to Authorities) Order 1998<sup>4</sup>.

**Rent Rebate Subsidy Deductions**

4. Transfers in respect of rent rebate subsidy deductions<sup>5</sup> apply in respect of council housing.

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<sup>1</sup> 1989 C.42 (as amended).

<sup>2</sup> 1985 C. 68. See Part IV (sections 79-117) (as amended).

<sup>3</sup> 1994 C. 19 (as amended).

<sup>4</sup> S.I. 1998/563 (as amended).

## **Transfers from the Authority's Housing Revenue Account to its relevant fund**

5. Where in respect of the rent rebate subsidy payable to an authority for a financial year, a deduction is made under:-

- (a) Article 20A of the Subsidy Order, where an authority's average actual rent for the year exceeds the limits specified for that year in the table of weekly rents limits in part 5 of Schedule 4A to the Subsidy Order; or
- (b) Articles 19(1)(a) and 19(2) of the Subsidy Order, as a result of expenditure on modular improvements<sup>1</sup>; or
- (c) Article 15A of the Subsidy Order, in respect of any disproportionate rent increase<sup>2</sup>;

the authority must transfer from their Housing Revenue Account<sup>3</sup> for that year to the relevant fund, an amount equal to the aggregate of any rent rebate subsidy deductions made.

## **Other Transfers between the authority's relevant fund and its Housing Revenue Account**

6. Where, in respect of the rent rebate subsidy payable to an authority towards rent rebates granted in the financial year beginning 1 April 2004, a deduction is made other than in respect of sub-paragraphs (a), (b) and (c) of paragraph 5:-

- (a) the authority may transfer, from their Housing Revenue Account to their relevant fund, an amount up to that set out in the Annex to this Determination, where the amount in the Annex is positive; or
- (b) the authority may transfer, from their relevant fund to their Housing Revenue Account, an amount up to that set out in the Annex, where the amount in the Annex is negative.

7. Where, in respect of the rent rebate subsidy payable to an authority towards rent rebates granted in the financial year beginning 1 April 2005, a deduction is made other than in respect of sub-paragraphs (a), (b) and (c) of paragraph 5:-

- (a) the authority may transfer, from their Housing Revenue Account to their relevant fund, an amount up to one half of that set out in the Annex, where the amount in the Annex is positive; or

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<sup>5</sup> See Arts 13 and 20A, and Sched. 4A of the Subsidy Order which specify deductions from subsidy

<sup>1</sup> See Art. 19(1) of the Subsidy Order for the meaning of "improvements".

<sup>2</sup> See Art. 15A of the Subsidy Order for the meaning of "disproportionate rent increase".

<sup>3</sup> See paragraph 1 of Schedule 4A of the Subsidy Order for the definition of "housing revenue account".

(b) the authority may transfer, from their relevant fund to their Housing Revenue Account, an amount up to one half of that set out in the Annex, where the amount in the Annex is negative.

<b>Local Authority</b>	<b>Transitional Amount</b>
	<b>£</b>
Blaenau Gwent	162,930
Caerphilly	-23,138
Cardiff	553,435
Carmarthenshire	317,666
Ceredigion	15,122
Conwy	104,922
Denbighshire	57,489
Fflintshire	56,167
Gwynedd	100,942
Isle of Anglesey	-8,259
Merthyr Tydfil	111,596
Monmouthshire	371,031
Neath Port Talbot	198,856
Newport	89,496
Pembrokeshire	94,642
Powys	95,812
Rhondda Cynon Taff	196,328
Swansea	320,355
Torfaen	263,582
Vale of Glamorgan	88,191
Wrexham	75,357