

Local Government and Communities Committee**Housing (Amendment) (Scotland) Bill****Submission from COSLA**

As the representative voice of local government in Scotland COSLA welcomes the opportunity to provide input to the Local Government and Communities Committee's call for evidence on the Housing (Amendment) (Scotland) Bill.

Do you agree that measures should be taken to influence the ONS to reclassify RSLs as private sector bodies; and if not, please explain why?

COSLA agrees that measures should be taken to influence the ONS to reclassify RSLs as private sector bodies. Should measures not be taken, the effect of RSL net borrowing on the overall Scottish borrowing limits would be substantial and create a significant burden on Scottish Government, and in turn other public bodies finances. Given the current financial constraints anything that destabilises public finances further is unwelcome.

COSLA also highlights the potential detrimental affected not reclassifying RSLs could have on commitments to build 50,000 affordable homes. The commitment depends on the Scottish Government's planned financial support of over £3 billion for the programme augmented by the RSL sector undertaking private borrowing of around £300 million a year. Without reclassification, this investment in affordable homes may be in jeopardy.

Do you have any views on the appropriateness of the measures proposed in this Bill to bring about this reclassification?

The measures proposed in the Bill as drafted appear appropriate to bring about the reclassification of RSL. COSLA notes the discussions between Scottish Government and ONS also point to the proposed amendments being a means to achieving the same.

Do you have views on whether the aims of the Bill could be achieved by other means?

COSLA is unaware of any other way in which the aim of the Bill could be achieved given the view of ONS that only a legislative solution will facilitate the Director of National Accounts and Economic Statistics reclassifying RSLs. We also note to similar legislative processes elsewhere in the UK seeking to or addressing similar issues in a similar fashion.

Any other issues relating to the Bill which you wish to bring to the attention of the Committee?

COSLA notes the concerns raised by tenant's groups around perceptions that the Bill weakens the ability of the Regulator to safeguard RSL tenants. COSLA agrees with the notion in the policy memorandum that the remainder of the Regulators powers remain unchanged and will work with others across the Housing sector to make sure tenants and tenants groups are reassured these changes do not change the overall ability of the Regulator to safeguard RSL tenants.

In summary, COSLA recognises the need for this Bill, and does not have any concerns over the changes proposed. We understand the rationale for limits being placed on the ability of local authorities to exercise influence over RSLs and subscribe to the view, alongside ALACHO, that any excessive influence is rare and in practice the regulations that Scottish Ministers make under section 9 of the Bill are unlikely to affect many authorities or RSLs.

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