

## Blog: Reclassification of RSLs

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*Patrice Fabien, a partner at BTO Solicitors specialising in social housing, details the implications of Scottish RSLs being reclassified as public sector bodies.*



Patrice Fabien

The **Office for National Statistics** (ONS) is to consider whether to reclassify Registered Social Landlords (RSLs) in Scotland as public sector bodies for accounting purposes. RSLs are currently regarded as private bodies.

Registered Providers (RPs), the equivalent in England and Wales, [have already been reclassified](#) as public sector bodies for accounting purposes. Were the ONS to decide to reclassify RSLs as public bodies, then for accounting purposes their debt would be added to the Scottish public sector debt. This could potentially result in the imposition by the **Scottish Government** of far greater constraints and controls on borrowing.

**Kevin Stewart, the Scottish minister for local government and housing**, reaffirmed, for obvious reasons, the current Scottish Government's opposition to such a reclassification. However, he may well be required, as his counterparts in England and Wales are being required, to relax the legislative regulatory and monitoring powers of the **Scottish Housing Regulator** to ensure that RSLs stay in the private domain.

Additionally, there may be other ramifications were the Scottish minister for local government and housing to introduce legislation in the event of the ONS stating that RSLs are public bodies. For example, would RSLs, once firmly legislatively re-designated as private entities be subject to EU Procurement Regulations? Or subject to the Environmental Information (Scotland) Regulations 2004?

Watch this space!