

# **HOUSING (AMENDMENT) (SCOTLAND) ACT 2018**

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## **EXPLANATORY NOTES**

### **THE ACT**

#### *Organisational changes affecting registered social landlords*

#### *Section 6 – Restructuring, winding up and dissolution of registered social landlord*

##### **Company voluntary arrangement**

104. Section 103 of the 2010 Act applies to voluntary arrangements under Part 1 of the Insolvency Act 1986<sup>1</sup> by RSLs that are registered companies and provides that the arrangement does not take effect unless the Regulator consents. By virtue of section 100(3), the Regulator may consent only where the RSL consulted its tenants on the arrangement.
105. [Section 6\(11\)](#) of the Act replaces this section with a new version, the main change being the removal of the need for Regulator’s consent. In place of that, section 103(2) places a duty on the RSL to consult its tenants on the voluntary arrangement. Under subsection (3), the arrangement does not take effect unless the RSL did so. The RSL must give the Regulator notice of the arrangement as soon as reasonably practicable after it takes effect (section 103(4)). Section 103(5) requires the Regulator to issue guidance about tenant consultation and section 103(6) requires the RSL to have regard to that guidance when consulting its tenants.

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**1** A “voluntary arrangement” is a proposal (made by either the directors or, if the company is being wound up or is in administration, by the liquidator or by the administrator) to the company and to its creditors for a composition in satisfaction of its debts or a scheme of arrangement of its affairs.