

**FINANCE COMMITTEE CALL FOR EVIDENCE
COMMUNITY EMPOWERMENT (SCOTLAND) BILL;
FINANCIAL MEMORANDUM SUBMISSION FROM
GLASGOW CITY COUNCIL**

Consultation

Did you take part in any consultation exercise preceding the Bill and, if so, did you comment on the financial assumptions made?

1. Did you take part in any consultation exercise preceding the Bill and, if so, did you comment on the financial assumptions made?

Yes, we submitted comments on the draft Bill in February 2014. There are a number of matters that we raised at that point which we feel have not been addressed in the final Bill and we have therefore repeated those comments in our recent evidence. In particular, there are likely to be substantial financial issues arising from the Bill in relation to asset transfer, community capacity building, ballots, right to buy, common good, and allotments.

If applicable, do you believe your comments on the financial assumptions have been accurately reflected in the FM?

2. To a certain extent. It is difficult to accurately predict the costs associated with the Bill.

Did you have sufficient time to contribute to the consultation exercise?

3. Yes.

Costs

If the Bill has any financial implications for your organisation, do you believe that they have been accurately reflected in the FM? If not, please provide details.

4. The Financial Memorandum mentions the likely additional costs on local authorities but this is not quantified to any reliable extent due to difficulties in predicting demand and activity. However, we believe that the costs will be significant and that local authorities will find it challenging to meet these costs from existing resources.

Do you consider that the estimated costs and savings set out in the FM are reasonable and accurate?

5. Few specific costs for local government are noted – they are mentioned in general terms. Specific costs are noted for the aspects of the Bill relating to allotments but this focuses on the administrative costs as opposed to the capital investment costs. The council believes that the capital investment costs would be significant.

The Financial Memorandum also correctly indicates that there will be additional costs on local authorities as a result of the common good elements of the Bill. However, there are potentially also additional costs and financial issues for Common Good Funds themselves.

Finally, the Financial Memorandum wrongly suggests that there are no financial implications for local authorities in relation to right to buy. In the circumstance where Council and/or Council ALEO land is identified there will be the financial implication of putting a process in place and of utilising resource from a range of services in order to enable a response to be made within a very short timescale. In addition, the financial implications for Glasgow may be significant in the circumstance where the proposed acquisition may deal with a short term issue but is not aligned to the Council's longer term strategy. As a precaution the Council and/or Council ALEO will require to resource a search in the Register of Community Interests in Abandoned and Neglected Land in advance of both marketing and disposal of property which could potentially fall within this category

The financial implications for Glasgow may be significant in the circumstance where a registered interest has a negative impact on potential investment in the City. The Council and/or Council ALEOs will require to resource responses to applications and the cost of searches in the Register of Community Interests.

If applicable, are you content that your organisation can meet any financial costs that it might incur as a result of the Bill? If not, how do you think these costs should be met?

6. Without additional funding, Glasgow City Council will find it challenging to meet the costs associated with the Bill from existing resources.

Does the FM accurately reflect the margins of uncertainty associated with the Bill's estimated costs and with the timescales over which they would be expected to arise?

7. Yes, the Financial Memorandum reflects the inherent uncertainty that prevents accurate cost predictions to be made relating to this Bill.

Wider Issues

Do you believe that the FM reasonably captures any costs associated with the Bill? If not, which other costs might be incurred and by whom?

8. No additional comments – see questions 1-7 above.

Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation? If so, is it possible to quantify these costs?

9. We do not think it is possible to quantify such costs at this stage.