

Abbeyfield Scotland Housing Association Ltd

4 April 2012

This Regulation Plan sets out the engagement we will have with Abbeyfield Scotland Housing Association Ltd during the financial year 2012/13. Our regulatory framework explains more about our assessments and the purpose of this regulation plan.

Regulatory profile

Abbeyfield Scotland provides sheltered and very sheltered housing for almost 270 elderly residents in 33 self contained Abbeyfield houses across 18 local authority areas. Five of these properties are now closed and the closure of its care home has been announced and it plans to sell these in 2012. It is a registered charity and employs around 85 full time equivalent staff, mainly support staff. Abbeyfield Scotland's turnover at the end of March 2011 was just over £2.7 million.

We inspected Abbeyfield Scotland in December 2011 and we highlighted a number of areas which it needs to address. We will consider progress with these during our regulatory engagement with it over the coming year.

Abbeyfield Scotland has provided its current business plan including 30 year financial projections, sensitivity analysis and covenant calculations. As part of the review of its business strategy and plans, Abbeyfield Scotland is considering rationalising its stock ownership. We will liaise closely with it over necessary consents, its revised strategy and business plan.

None of Abbeyfield Scotland's houses currently meets the Scottish Housing Quality Standard (SHQS). Abbeyfield Scotland plans to update its stock condition information in Spring 2012 and use the improved survey data to revise its SHQS Standard Delivery Plan (SDP). It has identified falling demand for some properties as a key risk and has therefore reviewed its original stock transfer assumptions and increased the number of properties it plans to sell. Successful delivery of this programme will be important for its long term viability. Abbeyfield Scotland should send us its asset management strategy and revised SDP once complete.

Abbeyfield Scotland plans to develop its approach to tenant participation, consultation and gathering service users views on the quality of its housing services. Likewise it has more work to do to increase demand for its houses which should improve its performance in letting empty homes. Abbeyfield Scotland shares its stock management information and communication technology (ICT) with other organisations and is working with them to make improvements to allow greater functionality across its business areas.

Our engagement with Abbeyfield Scotland – Medium

1. We will:
 - feedback on the business plan in April;
 - meet senior staff quarterly to discuss progress with improvement actions; and
 - meet the Board in quarter three to assure us about progress in implementing strategic direction and its planning process.
2. Abbeyfield Scotland will:
 - send us its revised asset management strategy and SDP once completed;
 - keep SHR informed of progress with its closure and sales programme; and
 - advise SHR of its short and medium term plans for ICT.
3. Abbeyfield Scotland should alert us to notifiable events and seek our consent as appropriate. It should provide us with the annual regulatory returns we review for all RSLs:
 - audited annual accounts and external auditor's management letter;
 - loan portfolio return;
 - five year financial projections; and
 - annual performance and statistical return.

This plan will be kept under review and may be changed to reflect particular or new events. The engagement strategy set out in this plan does not restrict us from using any other form of regulatory engagement to seek additional assurance should the need arise. Our regulatory framework and other relevant statistical and performance information can be found on our website at www.scottishhousingregulator.gov.uk.

Our lead officer for Abbeyfield is:

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We have decided what type of engagement we need to have with this organisation based on information it provided to us. We rely on the information given to us to be accurate and complete, but we do not accept liability if it is not. And we do not accept liability for actions arising from a third party's use of the information or views contained in the Regulation Plan.