

Ardenglen Housing Association Ltd

31 March 2017

This Regulation Plan sets out the engagement we will have with Ardenglen Housing Association Ltd (Ardenglen) during the financial year 2017/18. Our regulatory framework explains more about our assessments and the purpose of this Regulation Plan.

Regulatory profile

Ardenglen was registered in 1990. It owns and manages 966 homes and provides factoring services to 18 owners in the Castlemilk area, Glasgow. Ardenglen has charitable status and employs 19 people. As at the 31 March 2016, its turnover was just over £3.85 million and its debt per unit was £5,895.

Engagement

During 2016/17 we engaged with Ardenglen as it is seeking to diversify and has plans to purchase a significant new community facility, the Cathkin Braes Activity Centre, in Castlemilk. It plans to establish a new subsidiary company to manage this facility.

During 2016/17 we reviewed Ardenglen's business plan and the business case for the Cathkin Braes Activity Centre to seek assurance about the impact of the planned subsidiary activities.

Ardenglen is also recruiting a new Chief Executive because its current Chief Executive will retire in May 2017.

During 2017/18 we will continue to engage with Ardenglen as it establishes the subsidiary. We will continue to seek assurance that the identified risks are being managed effectively.

Following a number of years of not developing, Ardenglen has plans to develop a small number of new homes for social rent and will receive public subsidy to help achieve this.

Our engagement with Ardenglen Housing Association Ltd in 2017/18 – Medium

We will engage with Ardenglen given the subsidiary work being undertaken to allow it to operate the Cathkin Braes Activity Centre.

1. In relation to Cathkin Braes Activity Centre, Ardenglen will:
 - keep us up to date with the progress of the subsidiary;
 - send us reports to the Board of Ardenglen, as and when they become available, in respect of the decisions that it has and will make in relation to the new subsidiary, along with relevant historic reports.
 - provide a copy of the Independence Agreement, when available, between the new subsidiary and Ardenglen; and
 - details of the governance arrangements of the new subsidiary

2. Ardenglen will also send us:
 - updates on the appointment of the new Chief Executive when appropriate; and
 - quarterly updates on its development projects, including funding, timescales, completions and information on any material delay or changes, by 31 October 2017.

3. Ardenglen 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 financial statements and external auditor's management letter;
 - loan portfolio return;
 - five year financial projections;
 - Annual Return on the Charter; and
 - the return on the Energy Efficiency Standard for Social Housing

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 Ardenglen Housing Association Ltd 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.