

## Drumchapel Housing Co-Operative Ltd

**28 March 2013**

This Regulation Plan sets out the engagement we will have with Drumchapel Housing Co-operative Ltd (Drumchapel) during the financial year 2013/14. Our regulatory framework explains more about our assessments and the purpose of this Regulation Plan.

### Regulatory profile

Drumchapel was registered as a social landlord in 1985. It owns and manages 480 houses in the Drumchapel area of Glasgow. It is a non-charitable fully mutual co-operative and employs around 12 people. Its turnover for the year ended 31 March 2012 was just under £1.7 million.

We have assessed Drumchapel's performance against key service quality measures. Drumchapel's reported performance for the percentage of current tenants rent collected is poor and deteriorating. Its performance for time to re-let empty houses is in the bottom quartile and deteriorating. Its performance for percentage of dwellings with gas safety certificates is improving but remains amongst the poorest in the sector.

We have reviewed Drumchapel's financial returns and need to engage with it to get a better understanding of its plans to manage the welfare reform changes including the impact on income, costs and assumptions for arrears and bad debts.

### **Our engagement with Drumchapel – Medium**

We will engage with Drumchapel in 2013/14 to gain a higher level of assurance about its service quality.

1. We intend to engage with Drumchapel in 2013/14 to gain a higher level of assurance about its service quality. We will discuss how we obtain this assurance with Drumchapel and depending on the outcome of this engagement we may review our future regulatory engagement with it.
2. By 30 September 2013 Drumchapel will send us an update on its plans to manage welfare reform including the impact on income, costs and assumptions for arrears and bad debts.
3. Drumchapel 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](http://www.scottishhousingregulator.gov.uk).

Our lead officer for Drumchapel 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.