

Ferguslie Park Housing Association Ltd

29 March 2018

This Regulation Plan sets out the engagement we will have with Ferguslie Park Housing Association Ltd (Ferguslie Park) during the financial year 2018/19. Our regulatory framework explains more about our assessments and the purpose of this Regulation Plan.

Regulatory profile

Ferguslie Park was registered as a social landlord in 1988. It currently owns and manages 809 homes. It has charitable status and employs 20 staff. It has one unregistered subsidiary, The New Tannahill Centre Ltd, which manages the local community centre that provides commercial and community facilities for the local area.

As at 31 March 2017 Ferguslie Park's turnover was £4.25 million and its debt per unit was £2,958.

Engagement

In February 2016 we used our statutory powers to appoint a manager to Ferguslie Park under section 58 of the Housing (Scotland) Act 2010. We also used our statutory powers under section 65 of the Housing (Scotland) Act 2010 to appoint three additional members to Ferguslie Park's governing body.

We did this because we had identified a number of serious weaknesses in Ferguslie Park's governance and financial management as well as failures to comply with our Regulatory Standards of Governance and Financial Management. These areas of concern posed significant and immediate risks to the interests of tenants, to public and private funders' confidence and to the reputation of registered social landlords.

We extended these appointments in March and August 2017 to support Ferguslie Park to address the immediate risks, carry out wider reviews of its governance, financial management processes and procedures and internal controls and make improvements in governance and financial management.

In January 2018 we reviewed our statutory intervention again as Ferguslie Park had strengthened its governing body with new experienced members and a significant number of the necessary improvements were completed. We therefore ended the appointment of the manager in January 2018 following successful completion of his remit. We also reduced the number of statutory appointments to the governing body from three to two at the end of March 2018 and extended their term of office until September 2018. It is now for the governing body to demonstrate that it is capable of sustaining and building on these improvements.

Ferguslie Park has been seeking to recruit a Chief Executive but has not yet been able to make an appointment. The successful appointment of a Chief Executive is a critical milestone for Ferguslie Park and it is now taking steps to re-advertise this post. Once the new Chief Executive is in post Ferguslie will complete a review of its staffing structure. The remaining statutory appointments will ensure continued support for the governing body as it appoints a new Chief Executive and senior management team, completes its staff

restructure, develops the skills and experience of the new governing body members and continues embedding a strong leadership culture within the organisation.

If Ferguslie Park is unable to make a suitable appointment to the post of Chief Executive, it will consider its strategic options.

Our engagement with Ferguslie Park Housing Association Ltd 2017/18 – High

We will engage with Ferguslie Park as it continues to ensure that it fully meets our regulatory standards of governance and financial management.

1. The appointees to the governing body will be accountable to the regulator and will report to us on progress.
2. We expect Ferguslie Park to engage with us to assure us it is delivering the necessary improvements to meet our Regulatory Standards of Governance and Financial Management. We may review our engagement activity depending on the outcome.
3. We will continue to review Ferguslie Park's progress in consolidating the improvements that have been made. As part of this we will expect Ferguslie Park to engage with us closely on its progress in appointing a Chief Executive and senior management team and finalising its staff structure.
4. Ferguslie Park 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 Ferguslie Park Housing Association Ltd is:

Name: John Jellema, Regulation Manager
Address: Buchanan House, 58 Port Dundas Road, Glasgow G4 0HF
Telephone: 0141 242 5888

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.