

Fife Housing Association Ltd

Regulatory Status:

We have not included a regulatory status in this box. After we receive the first annual Assurance Statements in October 2019 from all landlords and complete our annual risk assessment we will give Registered Social Landlords (RSLs) a regulatory status in line with our Regulatory Framework.

Why we are engaging with Fife Housing Association Ltd (Fife)

We are engaging with Fife about its **governance** and **financial health**.

Fife completed recruitment to its leadership team in March 2019 when the Director of Operations was appointed. Fife is currently reviewing the role of its subsidiary, PACT Enterprises Ltd (PACT), whose principal activities are property investment and management.

Fife's treasury management arrangements include free-standing derivatives (FSDs). Fife is currently seeking new funding through a private placement to support its investment programme and move away from these complex financial arrangements.

What Fife must do

Fife must:

- keep us informed at key stages of:
 - its refinancing plans and provide monthly cashflows and details of the mark to market position for its FSDs; and
 - its review of PACT and the implications, if any for Fife.
- send us by 30 June 2019:
 - its refreshed business strategy and the report to the Board including an updated risk register;
 - 30 year financial projections, for itself and subsidiary, consisting of statement of comprehensive income, statement of financial position and statement of cash flow complete with assumptions and explanatory narrative;
 - a comparison of projected financial loan covenants against current covenant requirements;
 - financial sensitivity analysis which considers the key risks, the mitigation strategies for these risks and a comparison of the resulting covenant calculations with the actual current covenant requirements; and
 - the report to the Board in respect of the approved 30 year projections, sensitivity analysis and covenant compliance.
- for PACT, send us by 30 June 2019:
 - the approved business plan;

- the financial projections consisting of statement of comprehensive income, statement of financial position and statement of cash flow complete with assumptions and explanatory narrative;
- financial sensitivity analysis which considers the key risks and compares the resulting covenants with the actual current covenant requirements (where applicable) including risk mitigation strategies; and
- reports to the PACT's Board and Fife HA in respect of the approved financial projections and sensitivity analysis.

What we will do

We will:

- liaise with Fife as necessary on:
 - its refinancing plans;
 - the review of PACT; and
 - the minutes of the Board and audit committee meetings;
- review the business plan and financial projections; and
- meet with Fife's leadership team and Chair in quarter two 2019/20 to discuss the business plans, supporting financial information and the risks and challenges facing the organisation.

Regulatory returns

Fife must provide us with the following annual regulatory returns and alert us to notifiable events as appropriate:

- Annual Assurance Statement;
- 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.



[Read more about Fife Housing Association Ltd >](#)

Our lead officer for Fife Housing Association Ltd is:

Name: Joyce Stewart, Regulation Manager
Address: Buchanan House, 58 Port Dundas Road, Glasgow G4 0HF
Telephone: 0141 242 5577
Email: Joyce.stewart@scottishhousingregulator.gsi.gov.uk