

Glasgow Housing Association Ltd

9 October 2012

This Regulation Plan sets out the engagement we will have with Glasgow Housing Association Limited (GHA) during the financial year 2012/2013. Our regulatory framework explains more about our assessments and the purpose of this Regulation Plan.

Regulatory profile

Glasgow Housing Association Ltd (GHA) was registered in 2001 and has charitable status. It is the largest Registered Social Landlord (RSL) in Scotland, with around 45,000 tenants and 25,000 factored homeowners. It owns 54% of the social rented housing stock in Glasgow and 22% of the social rented stock in Scotland.

In 2012, GHA became a subsidiary within the Wheatley Housing Group (WHG) which is also an RSL. We have separately published a regulation plan for WHG which sets out the regulatory engagement we will have with it.

GHA employs over 1,680 people and its turnover in the year ended 31 March 2011 was £230.8 million. Since it took ownership of its stock in 2003, GHA has invested in excess of £1 billion in its houses and is now in the final phase of its planned investment to meet the promises made to tenants at the point of transfer. This will still involve a significant investment programme over the next two years to bring the remainder of its houses up to date and meet the Scottish Housing Quality Standard by 2015.

GHA has completed the construction of 782 new homes and has a further 472 homes under construction. It has plans for a further 1,500 new homes.

Given GHA's size, turnover, debt and the scale of its investment activity, we consider it to be of systemic importance.

Our engagement with Glasgow Housing Association- medium

We consider GHA to be of systemic importance because of its size, turnover, debt and its significant development and investment activities. So we will have a medium level of engagement with GHA in 2012/13.

1. We will meet with GHA's senior staff on a quarterly basis to discuss its business and any risks to the organisation.
2. GHA will send us revised 30 year projections including cashflows, sensitivity analysis and covenant calculations which reflect the fact that it is now a member of the Wheatley Housing Group. GHA should provide this information to us through the Wheatley Housing Group by the end of February 2013.
3. Because we consider GHA to be of systemic importance, we will also:
 - review the minutes of the governing body and the audit committee; and
 - meet with the Chair of the governing body during the year.
4. GHA 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 (including all SHQS costs);
 - 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, guidance and other relevant statistical and performance information can be found on our website at www.scottishhousingregulator.gov.uk.

Our lead officer for GHA is:

Name: Helen Shaw, Senior Regulation Manager
Address: Highlander House, 58 Waterloo Street, Glasgow, G2 7DA
Telephone: 0141 305 4106

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.