

Hanover (Scotland) 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 Hanover (Scotland) Housing Association Ltd (Hanover)

We are engaging with Hanover because it is a **systemically important** landlord and about its **development** plans.

We refer to a small number of RSLs as systemically important because of their stock size, turnover or level of debt or because of their significance within their area of operation. We need to maintain a comprehensive understanding of how their business models operate, and how they manage the risks they face and the impact these may have. So we seek some additional assurance through our engagement plans. Given Hanover's turnover we consider it to be systemically important.

Hanover has decided to pursue a transfer of engagements from Arklet Housing Association (Arklet). Arklet's tenants supported the proposal in a tenants ballot and work is now underway to progress a transfer of engagements.

Hanover is one of the larger developers of new affordable housing in Scotland and receives significant public subsidy to help achieve this. Hanover plans to continue to grow through a considerable programme of new homes for social rent. As a result, the number of affordable homes provided by Hanover will increase by almost 10% over the next five years.

What Hanover must do

Hanover must:

- keep us informed about progress with the proposed transfer of engagements from Arklet;
- provide copies of its Board and audit committee minutes as they become available;
- tell us if there are any material adverse changes to its plans which might affect its financial position or reputation, in line with our notifiable events guidance; and
- send us an update on its development programme by 31 October 2019. This will include details of the units and tenure types to be delivered, timescales, completions and any material delays or changes to the programme.

What we will do

We will:

- liaise as necessary on the proposed transfer of engagements from Arklet;
- review the minutes of the Board and audit committee meetings and liaise with Hanover as necessary;
- review the final report which Hanover has sent us on its research and pilot project around tenants connections with their communities; and
- review the development update in quarter three of 2019/20 and may contact Hanover after that about its development plans.

Regulatory returns

Hanover 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 Hanover>](#)

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