

Regulation Plan

This Regulation Plan sets out the engagement we will have with Home in Scotland Ltd. Our *Guide to How We Regulate* explains more about our assessments and the purpose of this Regulation Plan.

Regulatory profile

Home in Scotland became a registered social landlord (RSL) in 1998 and owns 3,151 and manages 68 properties. It operates across five different local authority areas and is a charitable subsidiary of the English RSL, Home Group Ltd. It employs 74 people.

Its turnover for the year ended 31 March 2010 was around £12 million. Home in Scotland is a developer of social housing mainly in Dundee and the central belt of Scotland and has experienced a modest growth over recent years through its development activity. Home in Scotland has told us that the Home Group is working through a business change programme and that this will be a key activity for it in the coming two to three years. We have an interest in how this impacts on Home in Scotland.

The RSL plans to continue to increase its stock through development activity. It has funding commitments from Scottish Government for 115 new homes in 2011-12 and is actively exploring a number of innovative funding mechanisms to attract additional sources of funding.

It is involved in significant regeneration initiatives in Garthamlock where it is working with Glasgow City Council and private sector partners to deliver 127 new social rented houses as part of a 1,000 house development; and East Balornock where it has recently completed 56 new social rented houses as the first phase of a redevelopment programme replacing defective homes. Home in Scotland has also been confirmed as the preferred development partner for Dundee City Council in the planned regeneration of its Mill O' Mains estate.

We inspected Home in Scotland in February/March 2011 and published our Inspection report in June 2011. The RSL achieved a 'B' Grade overall, which indicates a good performance and it has begun work to address those issues which were highlighted in the report.

Our engagement with Home in Scotland Ltd - Medium

1. We will continue to have a medium level of engagement with Home in Scotland in 2011/12. In light of its significant development, investment and group activities we will need future business planning information from the RSL to continue to be assured about its ongoing financial capacity and viability.
2. Home in Scotland should send us its revised business plan incorporating its risk register and financial projections by the end of quarter two 2011/12.
3. We may meet Home in Scotland during quarter three once we have reviewed this information.

4. Home in Scotland should continue to 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
 - 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 guides to how we regulate, inspect, and intervene and other relevant statistical and performance information, can be found on our website at www.scottishhousingregulator.gov.uk.

Our lead officer for Home in Scotland 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 from a third party's use of the information or views contained in the Regulation Plan.