

Kingdom Housing Association Ltd

4 April 2012

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

Regulatory profile

Kingdom owns and manages around 3,300 houses and provides factoring services for a further 246 properties. It is a registered charity and employs 263 full time equivalent staff. It has one non-registered subsidiary, Kingdom Initiatives Ltd, which provides property development and management services outwith the social rented sector. Kingdom's turnover for the year ended 31 March 2011 was £17.8 million.

Kingdom is the largest developer of social housing in Fife and one of the largest developers in Scotland. It has received significant amounts of public subsidy and built both new build for social rent and low cost home ownership houses. It plans to continue to have a large programme to develop new homes including social rent and mid market rent. It also manages developments on behalf of other RSLs operating in Fife as part of the Fife Housing Alliance.

During 2010 and 2011 we assessed business planning information from it that provided us with assurance about its strategic and financial management. Given the scope and complexity of its business we will continue to need updated financial information.

We are currently engaging with Kingdom regarding concerns we have with it's governance in relation to a land transaction. We will meet Kingdom to discuss these issues and we will then review our regulatory engagement with Kingdom.



Our engagement with Kingdom Housing Association - Medium

We will continue to have medium engagement with Kingdom about its overall financial capacity and viability in light of its development, investment and subsidiary activities.

1. Kingdom will:
 - provide us with 30 year projections including cashflows, sensitivity analysis and covenant calculations in quarter one of 2012/13 and we will provide feedback in quarter two; and
 - provide us with the business plan including financial projections for its unregistered subsidiary.
2. We will liaise with Kingdom about our planned regulatory engagement during quarter one of 2012/13.
3. Kingdom 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; and
 - 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 and performance information can be found on our website at www.scottishhousingregulator.gov.uk.

Our lead officer for Kingdom HA 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 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.