

Lochaber Housing Association Ltd

29 March 2018

This Regulation Plan sets out the engagement we will have with Lochaber Housing Association Ltd (Lochaber) during the financial year 2018/19. Our regulatory framework explains more about our assessments and the purpose of this Regulation Plan.

Regulatory profile

Lochaber was registered as a social landlord in 1988. Lochaber currently owns and manages 747 homes including 75 shared-ownership properties and provides factoring services to 230 owners in the Lochaber area. It has charitable status and employs 17 full-time equivalent members of staff.

Lochaber has two un-registered subsidiaries. Lochaber Care and Repair provides advice, repairs and adaptations to older people and people with a physical disability so they can live independently. Lochaber Property Services Community Interest Company provides maintenance and improvement services to Lochaber's tenants as well as owners and other local businesses.

As at 31 March 2017 Lochaber's turnover for the year was just over £4.3 million and its debt per unit was £21,252.

Engagement

Lochaber has an on-going development programme of new housing for social rent and receives significant public subsidy to help achieve this. Lochaber has plans to considerably increase its development programme over the next five years. As a result, the number of affordable homes provided by Lochaber will increase by around a fifth during this period.

We will engage with Lochaber as it progresses its strategy to support and deliver its plans for significant growth.

Our engagement with Lochaber Housing Association Ltd in 2018/19 – Medium

We will engage with Lochaber about its strategy to support and deliver its plans for significant growth.

1. Lochaber will send us by 30 June 2018:
 - its approved business plan and report to the Board about the plan;
 - evidence of how it demonstrates affordability for its tenants; and
 - details of its risk management and mitigation strategy, including the risks arising from the development programme.
2. Lochaber will send us an update on its development programme by 31 October 2018. This will include details of the units and tenure types to be delivered,

timescales, completions and any material delays or changes to the programme.

3. We will:
 - meet with senior staff to discuss the business plan and other information in quarter two of 2018/19; and
 - review Lochaber's development update in quarter three of 2018/19.

4. Lochaber 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 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.

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 other relevant statistical and performance information can be found on our website at www.scottishhousingregulator.gov.uk.

Our lead officer for Lochaber Housing Association Ltd 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.