

Lochfield Park Housing Association Ltd

28 March 2013

This Regulation Plan sets out the engagement we will have with Lochfield Park Housing Association Ltd (Lochfield Park) during the financial year 2013/14. Our regulatory framework explains more about our assessments and the purpose of this Regulation Plan.

Regulatory profile

Lochfield Park was registered as a social landlord in 1993. It owns and manages 480 houses and provides factoring services to 17 owners in the Easterhouse area of Glasgow. It has charitable status and employs around 8 people. Its turnover for the year ended 31 March 2012 was just over £1.6 million.

We have assessed Lochfield Park's performance against key service quality measures. Lochfield Park's reported performance for lets to homeless people and the percentage of tenancies sustained is poor and deteriorating. Its performance for the percentage of former tenant arrears collected and former tenant arrears written off is in the bottom quartile. We have previously highlighted our concerns to Lochfield Park about its performance for former tenant arrears.

We will engage with Lochfield Park to understand how it plans to manage the key risks facing the sector and the impact these will have on Lochfield Park particularly its plans to manage the welfare reform changes including the impact on income, costs and assumptions for arrears and bad debts.

Our engagement with Lochfield Park – Medium

We intend to have medium engagement with Lochfield Park in 2013/14 to gain a higher level of assurance about its service quality and its plans to manage welfare reform.

1. We will discuss with Lochfield Park how we will obtain assurance about service quality and depending on the outcome of this engagement we may review our future regulatory engagement with it.
2. In quarter one of 2013/14 Lochfield Park will send us details of its plans to manage the welfare reform changes including the impact on income, costs and assumptions for arrears and bad debts.
3. Lochfield Park 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 other relevant statistical and performance information can be found on our website at www.scottishhousingregulator.gov.uk.

Our lead officer for Lochfield Park 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.