

Regulation Plan

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

Regulatory profile

Maryhill HA was registered in June 1977 and is a community based, charitable housing association operating in the north west of Glasgow. It owns 2,885 properties and factors a further 1,125. Maryhill HA employs around 59 staff and its turnover for the year ended 31 March 2010 was £2.9M. The association is one of the larger developers in Scotland in terms of the public funding it receives.

In June 2011, Maryhill grew significantly when it acquired 2,035 properties and 33 additional staff members from Glasgow Housing Association through second stage transfer. It also took over the factoring service for 734 properties from GHA. As a result, the association has more than tripled in size, staff numbers have doubled and factoring management has also tripled.

This has had a significant impact on the association. It owns considerably more houses, has more complex investment needs and has a new organisational structure. Because of this growth in 2011, we will require assurance that the association has developed and implemented robust governance arrangements and financial monitoring structures to ensure that the strategic and operational challenges presented by this growth can be managed effectively.

Our engagement with Maryhill – Medium

1. Maryhill has grown rapidly as a result of second stage transfer and we need to be assured that it is managing effectively the strategic and operational challenges associated with this growth. The association should provide us with an update on:
 - the governance structure and arrangements for the larger post transfer organisation by the end of October 2011.
 - service delivery and performance post transfer to the end of December 2011; to be with us by 17 January 2012.
2. We will meet senior staff in quarter four to gain assurance on progress with these actions.
3. The association 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 Maryhill 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.