

## Milnbank Housing Association Ltd

**28 March 2013**

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

### Regulatory profile

Milnbank was registered as a social landlord in 1975. It owns and manages 1,694 houses and provides factoring services to 749 owners in the east end of Glasgow. It has charitable status and employs around 58 people. Its turnover for the year ended 31 March 2012 was just over £4.9 million.

We have assessed Milnbank's performance against key service quality measures. Milnbank's reported performance for the percentage of current tenants rent collected and percentage of current tenants owing more than 13 weeks rent is poor and deteriorating. Its performance for its average time to re-let empty houses and for lets to homeless people is in the bottom quartile and deteriorating. We have previously highlighted our concerns to Milnbank about its performance on rent arrears and re-let times.

We have reviewed Milnbank's financial returns and will engage with it to review its approach to the forthcoming auto-enrolment requirements (78.6% of staff were not enrolled in 31 March 2012) and its plans to manage the welfare reform changes including the impact on income, costs and assumptions for arrears and bad debts.

### **Our engagement with Milnbank– Medium**

We intend to have medium engagement with Milnbank in 2013/14 to gain a higher level of assurance about its service quality.

1. We will discuss with Milnbank how we will obtain assurance about service quality and depending on the outcome from this engagement we may review our future regulatory engagement with it.
2. By 31 October, Milnbank will send us:
  - an update on progress with auto enrolment; and
  - an update on its plans to manage welfare reform including the impact on income, costs and assumptions for arrears and bad debts.
3. Milnbank 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](http://www.scottishhousingregulator.gov.uk).

Our lead officer for Milnbank for governance and performance 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.