

Molendinar Park Housing Association

29 March 2018

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

Regulatory profile

Molendinar Park was registered in 1993. It owns and manages 580 homes and provides factoring services to 252 properties in the east end of Glasgow. It has charitable status and employs 9 members of staff.

As at 31 March 2017 its turnover for the year was just under £2.2 million and its debt per unit was £5,241.

Engagement

In March 2017, we used our statutory powers of intervention to address a serious governance failure when Molendinar Park identified that its governing body was not constituted in accordance with its rules. We appointed four members to its governing body to address this serious risk to Molendinar Park's governance by ensuring it had a properly constituted governing body.

In October 2017 we reviewed Molendinar Park's progress. As it had by then a properly constituted governing body and had commissioned an independent review of its governance and financial management, we decided to end our statutory appointments to the governing body. At this point Molendinar Park co-opted the four former appointees onto the governing body to help it take forward the review and develop an action plan to ensure it meets the Regulatory Standards of Governance and Financial Management. Two of these co-optees remain on the governing body. We will continue to engage with Molendinar Park as it implements its action plan to address the findings from the independent review.

Molendinar Park has told us that, in line with its governance action plan, it will commission a review of its organisational structure. We will engage with it as it commissions this work and discuss any future changes that it plans to implement as a result of this.

Our engagement with Molendinar Park Housing Association in 2018/19 – Medium

We will have medium engagement with Molendinar Park to seek assurance that it is continuing to address any weaknesses in its governance.

1. We will engage with Molendinar Park as necessary as it works through its action plan to ensure it addresses the findings from its independent review of Governance and Financial Management.
2. We will engage with Molendinar Park on the review of its organisational structure

and the outcomes from this review.

3. Molendinar 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 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 Molendinar Park Housing Association 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.