

Ore Valley Housing Association Ltd

8 November 2013

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

Regulatory profile

Ore Valley was registered as a social landlord in 1991. It owns and manages 642 houses in Cardenden in the Fife local authority area. It has charitable status and employs 16 people. Ore Valley has three non-registered subsidiaries Fife HARCA Limited, Ore Valley Enterprises Limited and Cardenden Heat + Power Limited (currently dormant). Its turnover for the year ended 31 March 2012 was just under £2.4 million.

Ore Valley is developing proposals for a combined heat and power project (CHAP) through its subsidiary. It is a renewable energy project using biomass fuel that aims to deliver affordable heating and hot water to the 1,200 tenants and residents of Cardenden. We need to engage with Ore Valley to get updates on the development of the CHAP project in view of its complexity and scale. We also need Ore Valley to provide us with assurance that any risks continue to be identified and managed by the governing body.

Our engagement with Ore Valley – Medium

We will have medium engagement with Ore Valley in light of its proposals for a significant heat and power project and the risks for the Association and its subsidiary.

1. In December 2013 and March 2014 Ore Valley will send us updates on its progress with developing the CHAP project and will keep us informed about key decisions by its governing body around funding and management of the project.
2. Ore Valley will continue to keep us informed about how it intends to manage its resources to support the development of the project.
3. Ore Valley 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 Return on the Charter.

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 Ore Valley 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.