

## Osprey Housing Ltd

### 31 March 2017

This Regulation Plan sets out the engagement we will have with Osprey Housing (Osprey) Ltd during 2017/18. Our regulatory framework explains more about our assessments and the purpose of this Regulation Plan.

### Regulatory profile

Osprey was registered as a social landlord in 1999 and owns and manages 912 homes and provides factoring services to 61 owners across Aberdeen, Aberdeenshire and Moray. It is a registered charity and employs around 23 people. As at 31 March 2016 Osprey Group's turnover for the year was £8 million. Osprey's debt per unit as at 31 March 2016 was £29,416.

It has two subsidiaries, Osprey Housing Moray (OHM), which is a registered social landlord and has charitable status and an unregistered subsidiary Osprey Initiatives Ltd. OHM owns and manages 480 homes and employs around 8 people. Its debt per unit as at 31 March 2016 was £17,551. As part of our annual risk assessment we have also considered OHM. We will have low engagement with OHM.

### Engagement

During 2016/17, we reviewed Osprey's business plan, corporate plan, risk register and financial returns to gain assurance about its strategy and financial position. We also reviewed Osprey's service quality performance and assessment of rent affordability and provided feedback on its finalised asset management strategy.

Osprey's Chief Executive recently announced his retirement and will leave at the end of August 2017. Meantime the Board is examining options for the group's future which will include consideration of restructuring and the concept of a partnership arrangement.

Both Osprey and OHM plan to develop a substantial number of new homes between now and 2021. Osprey plans to develop homes for social and mid market rent while OHM plans to focus on social rent.

### **Our engagement with Osprey Housing Association Ltd 2017/18 – Medium**

We will engage with Osprey in 2017/18 while it reviews options and about its future financial plans for development.

1. Osprey will keep us informed at key stages of its options appraisal and send us its options appraisal report by the end of June 2017.
2. Osprey will also send us by 31 October 2017:
  - an update on its development projects, including funding plans, timescales
  - completions and any material delay or changes; and

- any updates relating to activity in its subsidiaries which may present a material risk to the parent.
3. We will liaise as necessary about Osprey's options appraisal and its development programme.
  4. Osprey and OHM should alert us to notifiable events and seek our consent as appropriate. They should provide us with the annual regulatory returns 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](http://www.scottishhousingregulator.gov.uk).

Our lead officer for Osprey Housing 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.