

## **Osprey Housing Ltd**

### **30 November 2016**

This Regulation Plan sets out the engagement we will have with Osprey Housing (Osprey) Ltd during 2016/17.

Aberdeenshire Housing Partnership completed its group rebranding exercise in September 2016 and is now known as Osprey Housing Ltd. Its subsidiary Moray Housing Partnership is now known as Osprey Housing Moray Ltd (OHM) and its unregistered subsidiary as Osprey Initiatives Ltd.

Our regulatory framework explains more about our assessments and the purpose of this Regulation Plan.

### **Regulatory profile**

Osprey was registered in 1999. It owns and manages 912 houses and provides factoring services to 61 owners across Aberdeen, Aberdeenshire and Moray. It is a registered charity and employs around 23 people. Osprey's turnover at the end of March 2016 was just over £5.76 million.

During the year we reviewed Osprey's business plan, draft corporate plan and financial returns to gain assurance about its strategy and financial position. We also reviewed Osprey's assessment of rent affordability and its asset management strategy. Osprey is currently concluding a review of its life cycle costings.

Osprey has now reduced the number of properties failing the Scottish Housing Quality Standard (SHQS) to nine and anticipates that these will all meet the Standard by the end of March 2017.

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.

To assess the risk to social landlord services we reviewed and compared the performance of all Scottish social landlords to identify the weakest performing landlords. We found that Osprey is in the bottom quartile for all social landlords in relation to four satisfaction indicators - overall satisfaction, the percentage of tenants who feel the landlord is good at keeping them informed, tenants satisfied with the quality of their home and the percentage of tenants who feel their rent represents value for money. It is also in the bottom quartile for the time to complete non-emergency repairs and the level of tenancy sustainment.

Osprey has reviewed its approach to gathering tenant satisfaction information and the initial pilot study findings suggest improvements in satisfaction levels.

### **Osprey Housing Moray Ltd**

OHM was registered as a social landlord in 2002 and became a subsidiary of Osprey in January 2013. It owns 481 homes across Moray, has charitable status and employs 8 people. Its turnover for 2015/16 was £2.1 million.

When we reviewed OHM's landlord services we found it was in the bottom quartile for four indicators. We expect OHM to address its performance and will review its progress when we receive its next Annual Return on the Charter in May 2017.

As part of our annual risk assessment we have decided to have low engagement with OHM.

### **Our engagement with Osprey Housing – Medium**

We will continue to have medium engagement with Osprey in 2016/17 to get further assurance about its service and stock quality and its future financial plans for development.

1. Osprey will send us in December:
  - its Corporate Plan once agreed by its Board in November;
  - a copy of its action plan and risk register;
  - confirmation of the business planning cycle for 2017/18; and
  - confirmation of the financial implications of the most recent review of its life cycle costings
2. Osprey will also send us in February 2017 an update on performance on the service quality issues we have highlighted.
3. We will:
  - give feedback on the final Corporate Plan by the end of January 2017;
  - review progress with the service quality areas we have highlighted; and
  - monitor progress with SHQS fails.
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; 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](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.