

Pentland Housing Association Ltd

29 August 2013

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

Regulatory profile

Pentland was registered as a social landlord in 1993. It owns and manages 492 houses and provides factoring services to 28 owners within Caithness in the Highland local authority area. It has charitable status and employs 17 people. Its turnover for the year ended 31 March 2012 was £1.8 million.

We have been engaging with Pentland to address weaknesses in its governance. Pentland commissioned an independent investigation into a number of governance issues. As a result of the findings of this investigation, Pentland co-opted two people on to its board of management to provide support in dealing with these issues. Pentland has also appointed a special manager to carry out a strategic review to ensure that it meets our Regulatory Standards of Governance and Financial Management. It will then develop an action plan to implement any necessary improvements.

Our engagement with Pentland – Medium

We will have medium engagement with Pentland in light of the governance issues it is dealing with.

1. We will continue to engage with the governing body to seek the assurances we need to be satisfied Pentland is delivering the necessary improvements to ensure that it meets our Regulatory Standards of Governance and Financial Management. We will discuss further actions with Pentland when the action plan for improvement is agreed.
2. Pentland 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.

Our lead officer for Pentland 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.