

Regulation Plan

This Regulation Plan sets out the engagement we will have with Argyll Community Housing Association Ltd (ACHA). Our *Guide to How We Regulate* explains more about our assessments and the purpose of this Regulation Plan.

Regulatory profile

ACHA was registered and took ownership of its stock from Argyll and Bute Council in November 2006. It is the seventh largest registered social landlord (RSL) in Scotland with around 5078 houses and a further 314 commercial properties. Its turnover at 31 March 2009 was £16.9 million and it employs 188 full time equivalent staff.

We inspected ACHA in September 2009 and recently published our inspection report. We awarded the RSL a “C” grade overall, which indicated a fair performance. We reported weaknesses and risks in ACHA’s business planning, performance management framework, and progress towards achieving the Scottish Housing Quality Standard (SHQS).

The RSL knows where it needs to make improvements and responded well to feedback during the inspection. We saw evidence of the association’s commitment and capacity to improve. ACHA is reviewing its business plan to take into account the issues highlighted in the inspection report and has prepared an improvement plan. ACHA will provide us with a formal report on progress against its improvement plan in March 2012.

Our engagement with Argyll Community Housing Association – Medium

1. ACHA should:
 - provide a copy of its asset management strategy in May 2010;
 - send us a full suite of performance reports at the end of June 2010;
 - provide us with its revised business plan including sensitivity analysis at the end of July 2010; and
 - send us a copy of the annual report on SHQS progress in September 2010
2. We will liaise with ACHA on any further requirements once we have reviewed its revised business plan. This may involve a meeting with ACHA’s senior management team.
3. ACHA will provide us with a formal report on progress against its improvement plan in March 2012.
4. In the meantime, ACHA should provide us with a copy of its Asbestos Management Plan and an update on its improvement plan actions about Right to Repair legislation at the end of June 2010.
5. ACHA should continue to 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 including all SHQS costs; 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 guides to how we regulate, inspect, and intervene and other relevant statistical and performance information, can be found on our website at www.scottishhousingregulator.gov.uk.

Our lead officer for ACHA 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.