

## Regulation Plan

This Regulation Plan sets out the engagement we will have with Link Group Ltd. Our *Guide to How We Regulate* explains more about our assessments and the purpose of this Regulation Plan.

### Regulatory profile

Link is an established registered social landlord (RSL) with around 6,300 housing units, which employs in the region of 350 staff. It also provides factoring services for 3,058 properties. The RSL has one registered (Larkfield Housing Association) and four non-registered subsidiary organisations (Link Homes, Link Housing Association, Link Living and Linkwide). It is a registered charity with a turnover of around £17.9 million for the year ended 31<sup>st</sup> March 2008.

Link is a major developer of social housing and one of the largest developers in Scotland in terms of public funding that it receives in the form of Housing Association Grant (HAG). It has grown through a combination of mergers and development activity and it invests housing for low cost home ownership.

Link has previously told us that some of its properties may require exemptions in order to meet the Scottish Housing Quality Standard (SHQS) in 2015 and we need to understand the number and nature of these possible exemptions.

We have carried out an initial review of Link HA's business planning information and now need to clarify some business plan assumptions and ask for additional, more detailed, information to allow us to complete our assessment.

#### **Our engagement with Link Group Ltd – Medium**

1. We need further financial business planning information to assess Link Group's capacity and viability, in light of its development, investment and other activities. We will liaise further with the RSL about our requirements.
2. We will discuss with the RSL the extent of, and reasons why, its properties may fail to meet the SHQS.
3. Link 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
  - 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](http://www.scottishhousingregulator.gov.uk).

Our lead officer for Link HA 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.