

Regulation Plan

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

Regulatory profile

Thenew Housing Association was established as a registered social landlord in 1979. It has charitable status and employs around 62 people. Thenew operates primarily in the centre and east end of Glasgow. It owns around 2,400 homes and provides factoring services to nearly 600 properties. It has one non registered subsidiary, Thenew Housing Services Ltd that provides services and consultancy, and it also runs a number of hostels and supported housing schemes.

Thenew is among the larger developers of social housing in Glasgow and receives considerable amounts of public subsidy in the form of housing association grant (HAG) to build new social housing. Its turnover was £8.9 million for the year ending 31 March 2009. Thenew acquired 119 units in Holmbyre through second stage transfer from Glasgow Housing Association at the end of June 2010.

In its 2008/09 APSR, Thenew reported that 55% of its stock did not meet the Scottish Housing Quality Standard (SHQS) but it has told us that it can bring most of its stock up to the SHQS by 2015. It has a small amount of stock that is, or may not be, viable in the long term. It is developing plans to deal with these.

During 2009 we made an initial assessment of Thenew's business planning information but this will need reviewed once it had been updated to take account of its various current and planned business activities.

Our engagement with Thenew Housing Association - Medium

1. We need updated business planning information from Thenew HA to assess its overall financial capacity and viability, in light of its development, acquisition and investment activity including its SHQS obligations. We will need to see a comprehensive business plan which includes its asset management strategy. This should include sensitivity analysis around key assumptions with a covering narrative. We will liaise with Thenew about its timetable for sending this to us.
2. The RSL 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.

Our lead officer for Thenew 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.