

## Regulation Plan

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

### Regulatory profile

Tollcross registered as a social landlord in 1975. It has charitable status and employs around 15 people. It owns approximately 669 properties in the City of Glasgow, providing a mix of sheltered, supported and general needs housing. Its turnover for the year ended 31 March 2009 was around £1.8 million.

Tollcross currently manages 1643 properties in the Tollcross area on behalf of Glasgow Housing Association (GHA). Tollcross is developing proposals to acquire these units through second stage transfer (SST). We will consider Tollcross's proposed business plan once it has been agreed with GHA, in accordance with our published guidance on SST.

Our interest in examining Tollcross's proposals is to understand the impact that SST will have on its business, the capacity of the RSL to deliver services and to be assured about the financial arrangements that will allow the transfer to take place. As part of this assessment, we will seek assurance that the RSL's overall financial capacity and viability is maintained.

Tollcross faces challenges in meeting the Scottish Housing Quality Standard (SHQS) by 2015. It reported in its 2009/10 APSR that it anticipates around 50% of its stock will not meet the SHQS by 2015. This is because of space restrictions in some tenemental properties. Tollcross intends to seek exemptions for this type of property from the Scottish Government. We will liaise with Tollcross about the exact nature and number of exemptions required.

### Our engagement with Tollcross - Medium

1. We expect Tollcross to agree with us the information it will provide in its SST business plan submission for the transfer of 1643 properties from GHA. This information should also provide us with assurance that the registered social landlord's (RSL) overall financial capacity and viability will be maintained.
2. We will then consider the business plan, and tell Tollcross whether we are granting consent to GHA to proceed with the statutory consultation and tenant ballot. Tollcross should confirm with us the subsequent timescale and progress of the transfer.
3. We will liaise with Tollcross about its plans for meeting the SHQS and the number and nature of the exemptions it requires during 2010/11.
4. Tollcross 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 Tollcross 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.