

Regulation Plan

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

Regulatory profile

Weslo is a charitable registered social landlord (RSL) operating in West Lothian and Falkirk. It owns over 2,000 houses and employs around 50 staff. We registered Weslo in February 2007 but it had been operating as an independent landlord for a number of years previously. Weslo's turnover for the year ended 31 March 2008 was just over £6 million.

We will meet Weslo's senior staff and Chairperson in July 2009 to review progress since registration. Weslo is also liaising with us about its proposals to create a subsidiary and resolve issues relating to its mid market rent properties.

Because Weslo is a newly registered organisation we will carry out a baseline inspection to assess performance.

Our engagement with Weslo – Medium

1. We will meet with Weslo's senior staff and Chairperson in July 2009 to review progress. Our review will focus on Weslo's performance generally in meeting Performance Standards but we will also look at:
 - governance and business strategy
 - performance against its business plan
 - risk management and internal audit
 - financial health and financial management
 - progress on stock investment and meeting the 2015 Scottish Housing Quality Standard target
 - performance outcomes across a range of service quality areas.
2. We expect Weslo to provide us with a comprehensive business case for the proposed subsidiary to allow us to assess its impact on the organisation.
3. We plan to inspect Weslo in the third quarter of 2009/2010. The final scope of the inspection will be informed by both our review of progress in July and relevant self-assessment material.
4. 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.

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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.