

West of Scotland Housing Association Ltd

Regulatory Status:

We have not included a regulatory status in this box. After we receive the first annual Assurance Statements in October 2019 from all landlords and complete our annual risk assessment we will give Registered Social Landlords (RSLs) a regulatory status in line with our Regulatory Framework.

Why we are engaging with West of Scotland Housing Association Ltd (West of Scotland)

We are engaging with West of Scotland about its **governance, finance** and its **development** plans.

We have been engaging with West of Scotland about the steps it was taking to address a number of weaknesses which had been identified in its governance and to ensure that it is complying with the Regulatory Standards of Governance and Financial Management. It has developed a plan for delivering improvements to its governance.

West of Scotland is one of the larger developers of new affordable housing in Scotland and receives significant public subsidy to help achieve this. West of Scotland plans to continue to grow through a considerable programme of new homes for social and mid-market rent. As a result, the number of affordable homes provided by West of Scotland will increase by 14% over the next five years.

West of Scotland has recently secured significant additional finance in order to support its development programme. We will engage with West of Scotland to gain a greater understanding about the impact of the additional finance on the financial plans.

What West of Scotland must do

West of Scotland must:

- provide us with regular reports on its progress with delivering the necessary improvements in its governance to ensure that it is complying with Regulatory Standards;
- send us by 30 June 2019:
 - its approved business plan and an updated risk register;
 - 30 year financial projections consisting of statement of comprehensive income, statement of financial position and statement of cash flow complete with assumptions and explanatory narrative;
 - a comparison of projected financial loan covenants against current covenant requirements;

- financial sensitivity analysis which considers the key risks and compares the resulting covenants with the actual current covenant requirements; risk mitigation strategies for each of the key risks considered should also be provided;
- report to the Board in respect of the approved 30 year projections, sensitivity analysis and covenant compliance;
- evidence of how it demonstrates affordability for its tenants;
- provide copies of its Board and audit committee minutes as they become available;
- tell us if there are any material adverse changes to its development plans which might affect its financial position or reputation, in line with our notifiable events guidance; and
- send us an update on its development programme by 31 October 2019. This will include details of the scale and tenure mix, timescales for delivery and any material delays or changes to the programme.

What we will do

We will:

- monitor West of Scotland's progress with delivering the necessary improvements in its governance to ensure that it is complying with the Regulatory Standards;
- meet with the governing body in quarter one to discuss its plans for ensuring that its governance complies with Regulatory Standards;
- review the business plan and financial projections; and
- provide feedback during quarter three of 2019/20 on the business plan, financial projections and its development plans.

Regulatory returns

West of Scotland must provide us with the following annual regulatory returns and alert us to notifiable events as appropriate:

- Annual Assurance Statement;
- audited financial statements and external auditor's management letter;
- loan portfolio return;
- five year financial projections;
- Annual Return on the Charter; and
- the return on the Energy Efficiency Standard for Social Housing.



[Read more about West of Scotland Housing Association Ltd >](#)



Our lead officer for West of Scotland Housing Association Ltd is:

Name: Kirsty Porter, Regulation Manager

Address: Buchanan House, 58 Port Dundas Road, Glasgow G4 0HF

Telephone: 0141 242 5578

Email: Kirsty.porter@scottishhousingregulator.gsi.gov.uk