

# Linthouse Housing Association Ltd

## 29 March 2018

This Regulation Plan sets out the engagement we will have with Lintthouse Housing Association Ltd (Lintthouse) during the financial year 2018/19. Our regulatory framework explains more about our assessments and the purpose of this Regulation Plan.

### Regulatory profile

Lintthouse registered as a social landlord in 1975. It owns and manages 1,156 social rented and 49 shared ownership homes and provides a factoring service to a further 519 homes in the Lintthouse area of Glasgow. It has charitable status and employs 24 people. Lintthouse has one un-registered subsidiary Lintthouse Urban Village Ltd which provides a community café.

As at 31 March 2017 Lintthouse's turnover for the year was just under £5.2 million and its debt per unit was £742.

### Engagement

During 2017/18 we engaged with Lintthouse to gain assurance about its governance, financial planning and the delivery of its maintenance service. Lintthouse has worked well with us to deliver improvements. It has developed an action plan to deliver further improvements and is making progress with implementing the plan.

As part of the plan, Lintthouse recently commissioned an independent review of its compliance with the Regulatory Standards of Governance and Financial Management. Lintthouse has also commissioned a strategic review of the management and development of its Information Technology systems. We will continue to engage with Lintthouse as the reviews progress.

To assess the risk to social landlord services we have reviewed and compared the 2016/17 performance of all Scottish social landlords to identify the weakest performing landlords. We found that Lintthouse is in the bottom quartile for all social landlords in relation to satisfaction with the quality of home, lets to homeless people, satisfaction with the repairs service, properties with gas safety record renewed by the anniversary date and rent collected of rent due. For two of these indicators Lintthouse's performance is deteriorating. However, Lintthouse has gone through a significant organisational restructure which it acknowledges has impacted on some areas of operational performance.

Lintthouse has reported that 39.5% of its homes currently meet the Energy Efficiency Standard for Social Housing (ESSH) and it has plans in place to meet ESSH by December 2020.

We will review Lintthouse's performance when we receive its ARC return in June 2018.

## **Our engagement with Linthouse Housing Association Ltd in 2018/19 – Medium**

We will engage with Linthouse as it continues to address issues in relation to its governance and financial planning.

1. Linthouse will provide updates on progress with:
  - the implementation of the improvement action plan;
  - the independent review of compliance with the Regulatory Standards of Governance and Financial Management and the outcomes from this; and
  - the strategic review of IT systems.
  
2. We will:
  - meet with the senior member of staff bi-monthly to discuss progress with the improvement action plan, the review of compliance with the Regulatory Standards and the IT review; and
  - review our engagement as necessary on conclusion of the independent review of compliance with the Regulatory Standards.
  
3. Linthouse should alert us to notifiable events and seek our consent as appropriate. They should provide us with the annual regulatory returns we review for all RSLs:
  - 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.

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 regulatory framework 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 Linthouse Housing Association Ltd is:

Name: Paul Milligan, Regulation Manager  
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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.