

## Wellhouse Housing Association Ltd

### 2 March 2018

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

### Regulatory profile

Wellhouse was registered as a social landlord in 1994. It owns and manages 793 houses and provides factoring services to 56 owners in Easterhouse, Glasgow. It has charitable status and employs 18 people. At 31 March 2017, its turnover was just over £3.58 million and its debt per unit was £11,142.

### Engagement

We have been engaging intensively with Wellhouse since December 2014 when we identified serious weaknesses in Wellhouse's governance and financial management and used our statutory powers to appoint a manager to Wellhouse under Section 58 of the Housing (Scotland) Act 2010.

Since then the governing body has worked openly and constructively with us to implement the necessary improvements to ensure that Wellhouse meets the Regulatory Standards of Governance and Financial Management. Wellhouse has improved its governance and financial management and due to these improvements, we decided to end our statutory intervention in November 2016.

Since then, we have continued to engage with Wellhouse as it managed an on-going period of change, including completing its staff restructure, improving its risk management and embedding the new leadership and culture.

We have now reviewed Wellhouse's progress with this work and it has provided us with further assurance about the improvements that it is continuing to make. Wellhouse has given us additional evidence that shows it now complies with Regulatory Standards.

As part of our engagement with Wellhouse, we also reviewed its business plan and financial projections. Wellhouse is currently developing an asset management strategy which will further strengthen its business plan. It also plans to carry out its next regular assessment of its governance against our Regulatory Standards.

Wellhouse continues to work to embed the improvement actions it has taken.

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

We will have medium engagement with Wellhouse as it continues to implement the necessary improvements to its governance and financial management.

1. Wellhouse will send us a copy of its asset management plan and strategy by June

2018.

2. We will engage with Wellhouse to review its progress with its planned work to further strengthen its governance and we will review its approach to its self assessment against our Regulatory Standards of Governance and Financial Management.
3. Wellhouse should 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 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 Wellhouse Housing Association Ltd is:

Name: Eleanor Sneddon, Regulation Manager  
Address: Buchanan House, 58 Port Dundas Road, Glasgow, G4 0HF  
Telephone: 0141 242 5860

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.