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Engagement plan from 2 May 2024 to 31 March 2025

Landlord name

North Glasgow Housing Association Ltd

Publication date

02 May 2024

Regulatory status

Non-Compliant: Working towards compliance

The RSL does not meet regulatory requirements, including the Standards of Governance and Financial Management, and it is working to achieve compliance.

Why we are engaging with North Glasgow Housing Association Ltd (North Glasgow)

We are engaging with North Glasgow about its **governance, tenant and resident safety** and because it is a **systemically important landlord**.

Registered as North Glasgow Housing Association, North Glasgow is trading as ng homes.

We refer to a small number of RSLs as systemically important because of their stock size, turnover or level of debt or because of their significance within their area of operation. We

need to maintain a comprehensive understanding of how their business models operate, and how they manage the risks they face and the impact these may have. So, we seek some additional assurance each year through our engagement plans. Given North Glasgow's size, we consider it to be systemically important.

In October we engaged with North Glasgow about serious failings in its handling of lift safety inspections. North Glasgow confirmed it has now completed all lift inspection repairs and put an interim process in place to ensure that all lift inspections are appropriately actioned. It commissioned expert advice and investigations into the reasons for the failures. This information led us to put North Glasgow's regulatory status under review while the investigations were ongoing. In order to conclude our review, we asked North Glasgow to provide the findings from the investigations, information about its interim lift inspection processes and information regarding its compliance with regulatory requirements in relation to tenant and resident safety.

North Glasgow shared the investigation reports with us in February along with information to the Board. The information identified North Glasgow was non-compliant with meeting its legal duties relating to health and safety, specifically in relation to lift safety. North Glasgow's assurance processes did not identify these serious weaknesses, some of which were longstanding.

Our assessment is therefore that North Glasgow does not comply with regulatory requirements. A social landlord is required to have assurance and evidence that it is meeting all of its legal obligations associated with tenant and resident safety. Regulatory Standard one further requires that a social landlord complies with its legal obligations. We also have concerns about its compliance with Regulatory Standard four in relation to the governing body ensuring it receives information on all of the areas relevant to its consideration and having effective risk management and assurance processes in place.

North Glasgow is working constructively and openly with us as it takes forward improvements.

North Glasgow is developing a revised governance and improvement plan setting out how it intends to address the issues identified and achieve compliance with regulatory requirements including the Standards.

We will therefore continue to seek further assurance from North Glasgow about its governance and improvement plan.

The Housing (Scotland) Act (2010) requires us to monitor and assess the financial well-being, governance and performance of each Registered Social Landlord (RSL).

Our current assessment is that North Glasgow is non-compliant and is working towards compliance with the Regulatory Standards of Governance and Financial Management. We set out below the information that North Glasgow must provide in order to assure us that it can achieve compliance.

What North Glasgow must do

North Glasgow must:

- send us the revised governance and improvement plan by mid May 2024; and
- send us monthly updates on its progress in implementing the revised governance and improvement plan and achieving compliance with our regulatory requirements including the Standards.

As a systemically important landlord North Glasgow must also:

- provide copies of its Board and audit committee minutes as they become available.

What we will do

We will:

- review the revised governance and improvement plan and engage as necessary;
- review the updates and its progress in implementing the governance and improvement plan, and achieving compliance with our regulatory requirements including the Standards and engage as necessary; and
- review our engagement with North Glasgow on an ongoing basis.

As North Glasgow is a systemically important landlord we will also:

- review the minutes of the Board and audit committee meetings and liaise as necessary;
- observe North Glasgow's Board;

- meet with North Glasgow's senior staff to discuss its business plan, and any risks to the organisation; and
- update our published engagement plan in the light of any material change to our planned engagement with North Glasgow.

Regulatory returns

North Glasgow 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; and
- Annual Return on the Charter.

It should also notify us of any material changes to its Annual Assurance Statement, and any tenant and resident safety matter which has been reported to or is being investigated by the Health and Safety Executive or reports from regulatory or statutory authorities or insurance providers, relating to safety concerns.

Our lead officer for North Glasgow Housing Association Ltd is:

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