

Provanhall Housing Association Ltd

Regulatory Status

Compliant

The RSL meets regulatory requirements, including the Standards of Governance and Financial Management.

Why we are engaging with Provanhall Housing Association Ltd (Provanhall)

We are engaging with Provanhall about its **financial management**.

Provanhall is forecasting a significant cash outflow over the next five years resulting in a low cash balance.

What Provanhall must do

Provanhall must:

- send us by 30 April 2024:
 - its approved business plan and 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, the mitigation strategies for these risks and a comparison of the resulting covenant calculations with the actual covenant requirements;
 - the report to the Board in respect of the approved 30 year projections, sensitivity analysis and covenant compliance; and
 - evidence of how it demonstrates affordability for its tenants.

What we will do

We will:

- review the business plan, financial information and supporting information;
- meet with Provanhall's senior staff to discuss the business plan, financial information, supporting information and any risks to the organisation; and
- update our published engagement plan in the light of any material change to our planned engagement with Provanhall.

Regulatory returns

Provanhall 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 Provanhall Housing Association Ltd is:

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