

Trafalgar Housing Association Ltd

Regulatory Status: Working towards compliance

Trafalgar Housing Association Ltd (Trafalgar) does not meet the Standards of Governance & Financial Management and regulatory requirements, and it is working towards compliance.

Why we are engaging with Trafalgar

We are engaging with Trafalgar about its **governance**.

COVID-19 has significantly impacted the services provided by social landlords in 2020 and will continue to influence how services are provided in 2021. We will continue to monitor, assess and report upon how each landlord is responding and we will keep our regulatory engagement under review so that we can continue to respond to the challenges of COVID-19.

In 2019, as part of its annual assurance work, Trafalgar commissioned an independent review of its compliance against the Regulatory Standards of Governance and Financial Management (the Regulatory Standards) and regulatory requirements. Trafalgar concluded that it was partially compliant and it agreed an action plan to achieve full compliance.

In 2019 Trafalgar had also commissioned an internal audit on its governance, independent governing body member appraisals and an independent investigation following a Notifiable Event. Each of these also highlighted weaknesses in Trafalgar's governance. The independent governing body member appraisals, which reported in January 2020, showed that recommendations made in a previous appraisal exercise in 2018 with the objective of supporting the governing body to be effective in its role has not been implemented.

Following reassessment in 2020, Trafalgar concluded that it was still partially compliant. Whilst Trafalgar has made progress in implementing its action plan, several material areas of non-compliance remain outstanding including the governing body's strategic leadership and oversight of business planning and risk management, governing body member induction and training, and communication and engagement with Trafalgar's tenants.

Trafalgar has commissioned independent external support to help it deliver improvement. We are engaging with Trafalgar to seek assurance that it has the capacity to address the governance weaknesses identified and to achieve compliance with the Regulatory Standards and requirements.

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

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

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

What Trafalgar must do

Trafalgar must:

- provide us with a consolidated improvement plan setting out how it intends to address all of the improvement areas identified and achieve compliance with the Regulatory Standards and requirements;
- provide us with regular updates on progress towards delivery of its improvement plan; and
- provide us with a copy of its business plan.

What we will do

We will:

- review Trafalgar's improvement plan and meet with Trafalgar's Senior Officer and office bearers bi-monthly to discuss progress;
- observe a meeting of the governing body;
- review Trafalgar's business plan;
- review our regulatory strategy in light of this; and
- update our published engagement plan in light of any material change to our planned engagement with Trafalgar.

Regulatory returns

Trafalgar 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.



[Read more about Trafalgar >](#)

Our lead officer for Trafalgar Housing Association Ltd is:

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