



Homes &
Communities
Agency

The Social Housing Regulator

HCA REGULATORY NOTICE

Registered Provider

Windrush Alliance UK Community Interest Company Limited (46271) (Windrush)

Regulatory finding

The regulator has concluded that:

- a) Windrush has failed to meet the Governance and Financial Viability standard;
- b) The regulator is considering what further action should be taken, including whether to exercise any of its powers.

The case

Windrush is a small Community Interest Company operating in the East Midlands. One of its key aims is to bring empty properties back into use to provide temporary social housing to vulnerable groups. Working with another company, WALHA Ltd, Windrush manages c60 homes on short term leases.

In late 2014 the regulator was advised that negotiations had broken down in relation to the repayment of a debt owed to another Registered Provider as part of a management arrangement on properties it was leasing to Windrush. These properties are no longer leased to Windrush and have since been returned to the Registered Provider although the debt remains outstanding. Similar allegations of unpaid debt have been made by other stakeholders and owner occupiers of properties leased to Windrush and WALHA.

The regulator's findings

Investigations undertaken by the regulator revealed that Windrush did not appear to have the financial capacity to meet its debts as they fell due unless an appropriate payment plan could be agreed. The regulator concluded that Windrush has failed to secure access to sufficient liquidity as it continues to trade on the goodwill of its creditors.

The regulator also has concerns about the governance arrangements within the organisation particularly around the skill and capability of the board to maintain effective

control of the organisation and the management of the relationship between the registered provider and other closely related companies with common directorships. Windrush has appointed new board members, including a replacement for the chair, with the aim of addressing these concerns.

The regulator has not received satisfactory, timely or accurate information to give it sufficient assurance in relation to its concerns over viability and governance and has concluded that Windrush is not compliant with the Governance and Financial Viability standard.

As a provider with less than 1,000 units Windrush does not receive a regulatory judgement. In the interests of transparency, the regulator has introduced the publication of a regulatory notice where it has received evidence that a small registered provider is not meeting the regulatory standards. This notice is published under those arrangements.

February 2015
Watermark

Withdrawn: The issues giving rise to Windrush Alliance UK Community Interest Company Limited's Regulatory Notice have been resolved.