



Looking Ahead Feedback

The Future of the AmicusHorizon Group

Dear Resident,

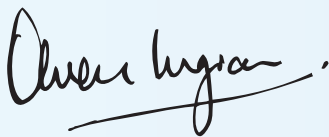
In June 2008 you received a 'Looking Ahead' document. This document asked for your views on the proposal to simplify the structure and governance of the AmicusHorizon Group and improvements to the way in which local residents can influence what we do.

We propose to simplify the structure by bringing together the housing associations in the Group into one main unified housing association. This unified housing association would be your landlord and manage your home, provide local services and deal with any complaints. We believe that joining forces is the best way to protect the services you are used to. The real changes would be behind the scenes therefore it would be business as usual for residents.

The proposal for improving resident involvement is to have four resident places on the Board and a resident council as well as locally based area panels focussed on local services which would involve residents.

The Resident Board Members Steering Group have been involved in the consultation with the support of the Tenant Participation Advisory Service (TPAS) who have also collected feedback on the consultation process.

We are now in a position to feedback the full results of this consultation and I would like to take this opportunity to thank those residents who took the time to feedback their views both to AmicusHorizon and TPAS.



Owen Ingram

**Interim Group Chief Executive
AmicusHorizon Group**

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The Results

We formally consulted with residents during July and August about the future of the AmicusHorizon Group. It is important to give residents the opportunity to influence our plans. Residents could give their views by calling us on the free phone number, completing the feedback form, attending drop-ins or emailing us. If they preferred, residents were able to contact the Tenant Participation Advisory Service (TPAS) by freephone or email.

Here are the results from the feedback the AmicusHorizon Group received.

Analysis of Responses

Table 1 – Analysis of Responses

Method	Number of Responses	Positive	Negative	No Clear Indication
Response form	440	206	67	167
AmicusHorizon Freephone	12	3	3	6
Drop in meetings	56	12	3	41
Email	5	0	2	3
TPAS Freephone	27	0	7	20
TOTALS	540	221	82	237
Percentage (%)	100%	41%	15%	44%

Residents were asked for their views and some did clearly indicate either positive or negative response to the proposals. Some used the consultation process to report service standard concerns and these concerns are being dealt with separately to this process and through our normal channels.

The Results

Positive Feedback

We received positive comments and some of these are detailed below;

'I have read the proposals and have no questions to ask, it is obvious that it is for the improvement of services which is a benefit to all tenants and I can add that I myself have never been happier since I moved in'.

'I think that it will only be a good thing if they were to merge for the reasons that you have stated. The service at the moment is good so it should be great!'.

'I think that the idea is good, we would be better as one organisation. I also think that we get a good service now and it can only get better'.

'I support the proposed merger and feel it will lead to effective, efficient, provision of services including accountability and ownership of issues'.

'I have only been a tenant for a short time but the service and support has been outstanding. If this continues in the merged organisation it will be positive'.

'Particularly good to see residents more involved'.

Residents' concerns

The main questions and concerns that were frequently asked during the consultation are detailed below, with the answers;

Many residents wanted to know how we intend to spend the £2 million that we estimated we would save from the proposal to bring together the housing associations within the Group.

In our proposal we estimated that we would make £2 million savings and these savings are achievable. Since we made this proposal the economy has changed and the credit crunch has had an effect on the income we receive. The increase in the interest rates means it costs more to borrow and it is more difficult to sell new homes. If we can't sell our new homes we get less income than we would have expected.

By bringing together the housing associations in the Group we are able to achieve efficiencies that we would not be able to achieve if we were to stay as we are now (the estimated saving of £2 million). However in the current financial climate we need to use these savings to protect our financial position and our services to residents.

As the financial situation changes, our plans will progress to ensure that our efficiency savings are invested in resident services.

Larger organisations lose local focus.

The AmicusHorizon Group is not getting any larger through bringing together all the housing associations already in the Group. Local focus will still be in place such as a local presence, locally based staff, locally based panels focussed on local services with residents.

Concerns about losing local services and staff.

Clearly, residents do build up trust with locally based staff and will need to know who to contact with regards to day to day issues and concerns. You will still have a local presence and locally based staff.

If the proposal goes ahead then some staff will be affected and some may move into different job roles. The whole idea is to improve services for residents and we'll put a lot of time, money and effort into making that happen. All staff are being kept informed and fully consulted about the potential changes to the staffing structure.

We will give residents clear information on who to contact locally about day to day issues and concerns.

Residents' concerns

There were a range of queries around tenancy issues if the housing associations were brought together into one main housing association.

Tenants' relationships with their landlord would not really be affected, and all those who have contractual relationships with the current associations would have their positions protected.

The conditions and rights of your tenancy (or lease for leaseholders) would not be changed as a result of this proposal. Your landlord would be the association formed from the bringing together of the housing associations within the Group.

Some residents wanted to know when improvements will be done and if the proposal will help those improvements happen more quickly.

Each association currently has improvement programmes in place, based on the condition of the properties and these plans will remain in place.

How will Leaseholders benefit from the improvements made if the proposal goes ahead?

We will be reviewing how we can provide improved services to leaseholders and better investment in their neighbourhoods. To do this we propose to change the number and duties of leasehold staff so that we can give a specialised service to leaseholders. Officers will then have more opportunity to gain more knowledge about the areas they are responsible for and work closely with other departments and teams to provide a seamless customer focused service.

Feedback from local authorities.

The local authorities have also been given the opportunity to raise any issues of concern. No local authority has raised any specific concerns that would prevent them from supporting the proposal. The Hastings, Rother and Swale local authorities' who transferred their properties to a housing association in a Local Stock Voluntary Transfer (LSVT), in principle are broadly supportive but the due legal process has to be followed for formal consent to be granted.

Resident Board Member Steering Group.

The Resident Board Member Steering Group (RBMSG) consists of members from each subsidiary board and one resident from the Group Board. All resident board members are elected to their subsidiary board by residents, all seven subsidiary board Chairs nominated one resident board member to form the RBMSG. The RBMSG have been involved in the consultation process with support from the Tenant Participation Advisory Service (TPAS). Resident Board Members have worked with dedication on your behalf by making themselves available to residents at drop in sessions; giving valuable feedback on the consultation process and together with senior staff shaping the proposed governance structure of the amalgamated association.



Tenant Participation Advisory Service (TPAS) support for residents

TPAS is an independent organisation that has been appointed to fulfil the following functions:

- To advise Resident Board Members on the governance structure proposals and confirm whether the proposals comply with good practice
- To act as a point of contact for residents during the resident consultation process, supporting residents in presenting their concerns and queries to ensure that their concerns are addressed.

Their feedback is as follows;

Thank you to everyone who contacted the TPAS freephone with your queries and comments regarding the proposed amalgamation of all your landlords into one body. The questions and concerns raised have been really interesting and have helped the Resident Board Member Steering Group in their ongoing work to ensure residents do not lose out because of the amalgamation.

Some questions and queries were personal and TPAS have responded to them on an individual basis. Others involved quite lengthy correspondence as they were quite complex. But in the end TPAS were able to highlight areas that were of the greatest concern and those that would affect a large number of tenants or leaseholders. Comments we received said that all communications talk about tenants and there is no mention of leaseholders or shared owners. However in law leaseholders and shared owners are not regarded as tenants but we do need to make sure that everyone is included.

Not all questions have answers as yet, for some we will need to wait and see how things develop but TPAS have tried to find answers to as many of your questions as they can.

So here are some of the most frequently asked questions

Q: *Why has there been so little consultation and no vote for tenants this time round?*

A: This is not a merger with another organisation but amalgamation of the AmicusHorizon Group and by law a ballot isn't required. AmicusHorizon have consulted with residents via the 'Looking Ahead' consultation document, freephone and drop-ins; this has been approved by the Housing Corporation.

TPAS think this is reasonable given the timescale but perhaps could have been organised a little better. Nonetheless all tenants have been informed of what is happening and have had the opportunity to have their say although this may not change the outcome.

Q: *We had an opt out clause when we transferred will this be lost?*

A: Currently both Rother Homes and 1066 Housing have the option to leave the Group. Because amalgamation would mean that Rother Homes and 1066 Housing would no longer be separate organisations, this right would cease. The Boards of both Rother Homes and 1066 Housing have already considered the implications of leaving the Group and have reached the conclusion, mainly for financial reasons, that this would not be a viable option. None of the other amalgamating associations have the option of leaving the Group.

Q: *We're concerned about the improvements promised at stock transfer – what guarantees will we have that the promises will be kept and the work done?*

A: We are told that AmicusHorizon is on target to meet the Decent Homes Standard by 2010. Programmes are in place to ensure that all homes, which currently fail, and will potentially fail, to meet the requirements are brought up to standard. If there are other local promises over and above this then we need to know so we can get assurances that these will be covered.

Q: *Will those 1066 Housing tenants who had rent discounts agreed still continue to get rent discounts?*

A: So far we have been told that the amalgamation will not change the method by which rents are calculated. The organisation will have to continue to follow Housing Corporation guidelines. However we have not had a definitive answer with regard to rent discounts currently enjoyed by 1066 Housing tenants. AmicusHorizon will be contacting those tenants effected in the near future.

Q: Will there be more opportunities for me to buy my home if this goes ahead?

A: No. However tenants with a preserved Right to Buy will keep this right.

Q: What happens to the existing loans our landlords have as result of original stock transfers?

A: The subsidiaries have two types of loans, loans with AmicusHorizon Group Financing Ltd and loans with third parties – THFC and Orchardbrook. Both these categories of loan will be transferred to the amalgamated organisation.

Q: Will we still have a local service with local staff, local offices and the same contact numbers?

A: AmicusHorizon say they are committed to keeping services local to residents and investing extra money to improve them. One of the key principles of the proposed staffing structure is to increase the investment in local frontline staff. There are currently no plans to close any local offices. However contact numbers may change in order to provide an efficient one stop service. If this happens we are told everyone will be given adequate notice of any changes.

Q: Will you be setting up a separate call centre?

A: No firm decision has been made on whether there will be one call centre or virtual call centres. If there is a move to centralise activities through a customer contact centre there may be savings through efficiencies, greater consistency in service delivery as well as achieving a one stop service for residents.

However during AmicusHorizon consultation with its partners, both Rother District Council and Hastings Borough Council have stressed the importance of retaining localised employment opportunities, and their views will be taken into account when the final decision on customer contact services is made.

Q: Will we still be giving homes to those with local connections or will anyone be able to move in? What about tenants who want to transfer or get a bigger home will they get priority?

A: Yes local agreements with AmicusHorizon partner local authorities will be kept. For 1066 Housing, Rother Homes and Swale Housing, the priorities for housing are agreed locally and increasingly delivered through Choice Based Lettings.

However in London housing for people with local connections only exists on Lansdowne Green as part of the stock transfer to SLFHA. All other residents in SLFHA have the opportunity to be rehoused across any of the current stock and have equal access to other stock (unlike Lansdowne where existing secure tenants are offered vacant properties before any other transfers).

Q: *If we have to have a new tenancy agreement will it remove second succession rights we were given when we transferred?*

A: The intention is to ensure all AmicusHorizon agreements are the same so yes it is likely that there will not be second succession right. However, residents who have a preserved right of second succession will retain this after amalgamation.

Q: *What will the resident involvement structure look like under the organisation's Board?*

A There will be a 'Residents' Council' along with nine local 'Area Panels' to strengthen the involvement of residents in decision making about local services. The detail is being developed in conjunction with the Resident Board Members Steering Group and there will be regular updates.

Q: *Will there be more help and support for disabled and elderly residents especially with gardening, fencing and decorating?*

A We are assured by AmicusHorizon that current schemes offering gardening, fencing and decorating for vulnerable residents will continue.

Q: *You talk about £2 million saving where does it come from and what will it be spent on? How does it fit in with the £3.5 million you said you were going to save from the earlier merger?*

A: We understand that the £2 million saving will mainly come from the efficiencies achieved in staffing, particularly at a senior level through the amalgamation of subsidiaries along with improved accounting and service charge recovery.

However it is likely that the 'Credit Crunch' will have reduced the anticipated income and the property market has collapsed since the proposal was made. The initial sale of low cost home ownership equity is taking longer and sales values have also been reduced. Interest rates have increased, and this tied in with a reduced surplus is putting pressure on finances.

The AmicusHorizon Group isn't the only registered Social Landlord to have its plans affected by the 'Credit Crunch'. In the short term any surplus made from the amalgamation will be used to ensure the organisation's financial viability during this time. As the financial situation changes so plans will progress to ensure that efficiency savings are invested in resident services.

The £3.5 million savings from the merger of Amicus and Horizon were invested in the improvements to existing housing stock and to service delivery.

Leaseholders and Shared Owners

We had a number of questions and comments regarding shared owners, leaseholders and service charges along with the use of management companies and contractors. Some of these we have responded to on a personal level but the following might be of interest.

Q: *It would be helpful to know how the restructuring will offer concrete improvements to leaseholders (in both reduced costs and increased performance) and how these improvements will be measured and reported to us?*

A: Our aim is to provide leaseholders and shared owners with improved and better value for money services. In order to do this we will separate the key functions into leasehold, anti social behaviour and rent collection so officers are specialised in their specific area and have better local knowledge. This will reduce centralised costs and provide a seamless customer focussed service.

And now some questions from Shareholders

Shareholders of each organisation will have the final say as to whether the amalgamation goes ahead or not so it is important that they have all the information they need in order to make the right decision.

Q: *How will the shareholders meetings be organised – will there be sufficient opportunity to ask questions and debate?*

A: AmicusHorizon tells us that they are keen to ensure that all shareholders have the information they need to make an informed decision on the way forward. This will be done via the provision of written information and through ensuring that there is sufficient opportunity for shareholders to ask questions and debate.

Q: *How do we get message to shareholders – it is important that they take part?*

A: Again we are told that informal communication with shareholder opinion formers has been maintained through the change process and efforts will continue over the next few crucial weeks. AmicusHorizon will also be providing shareholders with an information pack explaining the changes and will be encouraging them to attend the Special General Meetings at which the final decision will be made.

In addition shareholders can contact the Resident Board Members Steering Group and TPAS if they want more information.

Q: *Will shareholding members be increased to cover the whole of the organisation?*

A: We are assured that all existing shareholders from the current subsidiaries will be offered a share in the amalgamated association. However the policy for potential shareholders has not yet been agreed.

Q: *How will one AGM work with all members attending the same venue on the same day?*

A: Once amalgamation has taken place the AGM of the amalgamated association will be held in a venue large enough to accommodate all shareholders who will be attending and in a location that is as convenient as possible for all shareholders.

We hope we have covered most of your questions and concerns but if not or you have more worries please feel free to contact the TPAS freephone number as before on 0800 731 1315.

So What Happens Next?

The subsidiary Boards will be approving the way forward at a series of meetings in September. There will then be a process of holding Special General Meetings for each of the housing associations within the Group where shareholders will be asked to vote. If consent is given a submission will be made to the Housing Corporation in October for their consent. Further feedback will be given to tenants on progress early next year.

Still have Questions?

If you have any questions regarding the proposals then please do not hesitate to contact either AmicusHorizon Group or TPAS, contact details as follows:

Tel: **0800 121 6060***

Email: **residents@amicushorizon.org.uk**

 AmicusHorizon

 1066 Housing

 Casa Support

 Rother Homes

 SLFHA Ltd

 Southern Horizon

 Swale Housing

Tel: **0800 731 1315***

Email: **alj@housing.vispa.com**

TPAS
CONSULTANCY

*Calls free from a BT landline, charges from mobile and other networks may apply. Calls may be recorded and monitored for training and quality purposes.