

When the ballot opens **vote YES** to the transfer to Sanctuary Scotland



Your Future

A Proposal for Positive Change

What's in this proposal for you?



THREE TIMES
Thistle's planned
investment



An affordable
rent guarantee



A well run
factoring
service



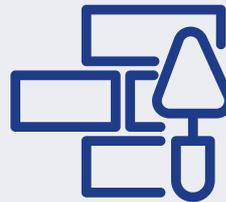
DOUBLE the
current community
benefits



Meaningful
resident
engagement



A well-managed
organisation



Prospect of
new Toryglen
homes

Make sure you
have your say
on the proposal
and get in
touch before
24 September
2020

All the information you need about
the proposed transfer to Sanctuary
Scotland Housing Association



Introduction

This is the formal proposal for the Transfer of Engagements of Thistle Housing Association to Sanctuary Scotland Housing Association. This document is part of the required legal consultation and it outlines how a transfer would affect you and the benefits this transfer would bring.

The Management Committee is confident we have secured a very attractive package for tenants, factored owners and staff. We believe the transfer will combine the strengths, capabilities and traditions of both Thistle and Sanctuary Scotland to create a stronger organisation that can deliver a thriving future for our customers and employees. The Scottish Housing Regulator and TIS, your independent tenant advisor, have reviewed the Business Case supporting the transfer and confirm it covers tenant and factored owner priorities. A robust new business plan shows how Sanctuary Scotland's transfer promises will be paid for.

We fully endorse this offer and feel it will provide the best future for tenants, factored owners and staff. However, the transfer to Sanctuary Scotland can ONLY proceed if it is shown to have the support of Thistle's tenants. We urge all of our tenants to read the offer from Sanctuary Scotland before you make up your mind. In this first stage of formal consultation you are invited to make representations to Thistle by giving feedback using one of the options listed on the back page.

It is really important that you give your views – please take two minutes to tell us what you think. Staff from Thistle and Sanctuary will try to contact every tenant in a way that keeps you and us safe. We are committed to an open and thorough consultation process and we are here if you have any questions. All feedback will be considered by Thistle's Management Committee on 30 September 2020. If the response is positive, a further Notice will be sent to tenants before we move to hold the tenant ballot.

Remember we need you to vote YES.



Lawrie West
Chairperson



Laurie West, Chairperson –
Thistle Housing Association



Sanctuary Scotland's Transfer Promises

If you and other tenants vote YES and the transfer takes place, Sanctuary Scotland promises to:



- Spend more than £11 million improving Thistle's homes by the end of 2024. (Thistle plan only £3.6 million over this period).

 - ✓ Resolve the issues relating to the E.ON major works contract and related asbestos work.
 - ✓ £7 million on new kitchen and bathrooms if you haven't recently had one installed.
 - ✓ £0.5 million on windows, doors.
 - ✓ £0.6 million on improving the environment.



- Improve rent affordability by committing to RPI inflation increases plus 0.5% for 3 years capped at a maximum of 3%. (Thistle plan on RPI inflation plus 1%). This commitment is predicted to save on average £220 per household. From 2021 Thistle's rent policy would change. Increases will take effect on 1 July instead of 28 March, effectively freezing rents for 3 months in 2021.



- Keep Thistle's Toryglen office open and retain your local staff. Senior Sanctuary staff will lead and support the local team, manage contractors and ensure your home complies with safety regulations.



- DOUBLE Thistle's current community investment budget to £50,000 a year, bringing twice the benefit to Toryglen.



- Create a new Toryglen Customer Review Panel to oversee delivery of the transfer promises and shape local services. Tenants will also have an opportunity to join Sanctuary's influential central Area Committee and National Review Panel.



- Introduce its dedicated in-house factoring service, saving factored owners money on their annual insurance premium.



- Explore development and regeneration opportunities to increase Toryglen's housing options.



- Provide strong and stable governance. Sanctuary Scotland's board of management will ensure the Association is well managed and complies with legal and regulatory requirements.

A Message from Pat Cahill

I am delighted to present to you Sanctuary Scotland's transfer offer. The response at recent focus groups with Thistle tenants and factored owners was extremely positive. We hope you agree once you read what we are committing to and that you support the transfer plans. As you may recall I am currently supporting Thistle as interim director. I believe a transfer will allow the local team to add to Thistle's already excellent work in the community while at the same time enable the wider, well publicised issues that exist to be addressed once and for all. Sanctuary's support to Thistle since 2 March has helped the local team in Toryglen get a sense of Sanctuary Scotland's culture and our desire to give customers a great service.

Thistle and Sanctuary's ethos and cultures are already closely aligned. Our missions are not just to provide homes and services, but also to help create and support inclusive communities where people can enjoy life, participate fully and be treated with respect. Sanctuary's

scale and profile will give greater choice to Thistle's customers, making it easier to offer you the right service at a time and place that suits you.

A transfer will see tenants benefit from a massive increase in much-needed investment in your homes and in the environment over the first four years. Rent will be lower than it would be under Thistle and the community investment budget will be doubled. The creation of the Customer Review Panel, a dedicated residents group, will give the community the meaningful voice it has wanted for a long time.

Sanctuary wants to invest in Toryglen, improve the services you receive and win the trust and confidence of Thistle's tenants and factored owners. We can only do this if tenants get behind the transfer and vote YES in the tenant ballot later this year.



Pat Cahill
Director of
Sanctuary Scotland



Pat Cahill, Interim Director - Thistle Housing Association



Sanctuary works with local communities to make people's lives better

About Sanctuary Scotland

Sanctuary Scotland is one of the country's leading housing associations with more than 7,000 homes. Its quality affordable housing includes general rented and sheltered accommodation. More than half of Sanctuary's homes can be found in Cumbernauld, Renfrewshire and Glasgow. The Association has 2,000 homes in Glasgow alone and an office in Priesthill.

Sanctuary Scotland works with others to create communities where people are proud to live. Like other not-for-profit organisations Sanctuary uses surpluses to improve its services, homes and neighbourhoods. Sanctuary encourages customers to challenge its performance and suggest how it can do better. Sanctuary Scotland's governance structure enables tenants to influence the strategic direction of the business and set future priorities for improvements and reinvestment.

Sanctuary uses in-house maintenance, estates and factoring teams to give customers a good service and value for money. Sanctuary will soon begin building homes on the site of the former Victoria Infirmary in Langside and completed a £60 million regeneration of Anderston in 2018. Sanctuary

Scotland's recent growth includes the transfer of two social landlords – Cumbernauld Housing Partnership and Aberdeen-based Tenants First – into the organisation.

A registered social landlord regulated by the Scottish Housing Regulator and a Scottish charity, Sanctuary Scotland was established in 1996 and is a member of Sanctuary Group, one of the UK's leading providers of housing, care and commercial services.

If you would like to know more about Sanctuary Scotland visit www.sanctuary-scotland.co.uk or phone Kevin Turner on **07983 612734**.

First Minister Nicola Sturgeon formally opened Sanctuary's award-winning regeneration of Anderston in Glasgow



Sanctuary's transfer promises if tenants **VOTE YES**



Delivering Excellent Local Services

If the transfer proceeds Sanctuary Scotland will continue to deliver local services from the Toryglen office. All Thistle staff will transfer to Sanctuary Scotland – there will be no compulsory redundancies. A change programme will look to introduce Sanctuary Scotland's customer-focused way of working.

Members of Sanctuary Scotland's leadership team will work from Toryglen and support our work with key stakeholders. The use of Sanctuary Scotland's specialist support staff will remove the need to outsource services, saving money that is better spent on the things that matter to Toryglen. Sanctuary's large corporate function will allow local staff to work face-

to-face with customers more often. Its asset management, maintenance and compliance teams have already been fixing issues in Toryglen as part of the operational support provided by Sanctuary. As a Thistle customer you also will be able to report issues to Sanctuary's **Customer Service Centre at any time of the day or night, 365 days a year.**

Most of Sanctuary's services are carried out in-house, giving Sanctuary greater control over jobs. Using its own teams helps improve the cost effectiveness of Sanctuary's services, ensures the work is done right and often sees jobs done more quickly. Thistle's three major maintenance and compliance contracts will transfer to Sanctuary when the current contracts expire in 2022.



Sanctuary's transfer promises if tenants **VOTE YES**



Building a Stronger Community

Thistle and Sanctuary have similar visions when it comes to improving the lives of customers through community benefit projects.

If the transfer is approved Thistle's **current community investment budget will be doubled to £50,000 a year.**

This increase will enable Thistle to engage with even more residents and have even more impact while at the same time supporting existing projects. Sanctuary recognises the importance and excellence of the community investment programme in Toryglen and wants to build on that. Doubling the funding available will provide opportunities that otherwise would not be available.

Another opportunity for local residents is **access to Sanctuary's Grand Ideas Fund. This fund gives grants of £1,000 to community members and groups whose projects make a difference.** Sanctuary's **'Sanctuary Online' project** will also be introduced in Toryglen to **help local people learn digital skills.**



Sanctuary's transfer promises if tenants **VOTE YES**



Investment in Toryglen and YOUR home



If tenants vote YES Sanctuary Scotland will **invest £11.2 million in Thistle's housing stock by the end of 2024.**

That amount is **more than three times** the £3.6 million Thistle plan to spend during that period and has immediate benefits for YOU.



Almost £7 million

will be spent replacing kitchens and bathrooms in all of Thistle's homes (except those already renewed).



Almost £600,000

will be spent on landscaping and environmental improvement works in line with resident priorities.



More than £500,000

will be spent on new windows and doors.

Improvements will include:

857
new
bathrooms

894
new
kitchens

428
new heating
systems



£2.3 million on roofs/renderers/asbestos

Fixing the roof and render issues that relate to the major works contract, and removing the associated asbestos in affected roof spaces, will be a priority for Sanctuary.

Compared to Thistle's reinvestment plan Sanctuary's transfer promise will provide a more pleasant living environment in a much shorter timeframe.

Sanctuary's transfer promises if tenants **VOTE YES**



Expanding Housing Options

If tenants vote YES to a transfer the needs of Toryglen residents will be included in Sanctuary's development strategy. Sanctuary is committed to building new affordable homes in Glasgow and will look for opportunities in Toryglen. This includes exploring options for regeneration as Sanctuary did before its award-winning transformation of Anderston.

Sanctuary is a trusted development partner of the Scottish Government and has an excellent relationship with Glasgow City Council through many years of partnership working. If a transfer takes place Thistle will benefit from this relationship as part of a larger Sanctuary Scotland, giving Thistle residents more influence over housing policy and redevelopment. If a need is found for development or regeneration within Toryglen, the views of staff and residents will be central to any future proposals. Thistle has never built any new homes and, without a transfer to Sanctuary, has no prospect of ever doing so.

Recently completed Sanctuary homes in Nitshill, Glasgow



Sanctuary's transfer promises if tenants **VOTE YES**



Keeping rents affordable

Sanctuary Scotland has committed to rents rising at a lower rate than possible under Thistle's current business plan.

Sanctuary's affordable rent guarantee will give significant savings to tenants thanks to the savings the transfer can achieve.

If tenants vote YES rent increases over the next three years are projected to be 0.5% lower.

Sanctuary is committed to rents rising by no more than 3%.

If the Retail Price Index (RPI) inflation rate plus 0.5% adds up to less than 3%, this lower figure will be applied. For the same period Thistle has budgeted RPI plus 1%. Sanctuary will use the November RPI figure each year to calculate rent increases.

Sanctuary's affordable rent guarantee – what it would mean for you (RPI assumed at 2%)



- Initial Annual Saving **£35**
- Three Year Total Saving **£157**



- Initial Annual Saving **£48**
- Three Year Total Saving **£216**



- Initial Annual Saving **£53**
- Three Year Total Saving **£239**



- Initial Annual Saving **£67**
- Three Year Total Saving **£299**

Under Sanctuary the average saving will be £220 at the assumed Retail Price Index (RPI) inflation rate of 2%. Savings will increase significantly if RPI is higher than 2.5%. Sanctuary's affordable rent guarantee will protect tenants but also fund the ambitious reinvestment plan being proposed.

If a transfer takes place annual rent increases will move to a new, later date each year (1 July instead of 28 March). This will provide an immediate benefit to Thistle tenants, **effectively freezing rents at the lower figure for three more months.**

Sanctuary's transfer promises if tenants **VOTE YES**



Managing and Monitoring What We Do

If tenants vote YES to a transfer, the Thistle name and legal entity will no longer exist. Although your tenancy agreement will transfer to Sanctuary Scotland [your rights are fully protected](#).

If the transfer proceeds all of Thistle's interests transfer to Sanctuary Scotland. The Board of Management of Sanctuary Scotland will provide strategic leadership and direction across the enlarged organisation. Sanctuary Scotland will become responsible for the services you receive and the management of your home. Sanctuary Scotland is a well-managed housing association with a trusted and transparent governance framework. Tenants have meaningful opportunities to influence Sanctuary's programmes and cast a critical eye over its plans.

Shareholding members of Thistle will be asked to meet and agree the transfer at the end of this year, subject to a positive tenant ballot outcome. Whilst open shareholding is not a feature of Sanctuary's membership structure,

Sanctuary will set up a new dedicated Toryglen Customer Review Panel. This will ensure Thistle tenants and residents have a strong local voice. This group will ensure Sanctuary's transfer commitments are delivered in full, monitor local services and discuss Toryglen's priorities. The Toryglen Panel will report quarterly and provide an annual statement to Sanctuary Scotland's board of management. This change will give Thistle's tenants, factored owners and shareholders more influence than ever before.

Beyond Toryglen local residents will have an opportunity to join Sanctuary's established Area Committee and National Review Panel. Both provide a further level of scrutiny on Sanctuary Scotland's overall performance and a meaningful voice in decision making throughout the organisation.



Sanctuary's transfer promises if tenants **VOTE YES**



A well run, value-for-money factoring service

Sanctuary Scotland's experienced in-house factoring team provides factoring services for 1,806 properties, improving the value for money owners receive. The team issues factoring handbooks to ensure the rights and responsibilities of owners are well understood.

Insurance



Thistle currently provides building insurance to factored owners through Allianz covering the value of reinstatement of the building. In 2019/20 the premium charged to Toryglen's factored owners was £202.20.

A similar product offered by Sanctuary Scotland through Aviva & Geo cost £112.38, saving customers nearly £90 each.

Post transfer, Thistle's factored owners will transfer to the current Sanctuary insurance product and benefit from lower premiums.

Repairs



Sanctuary will provide a 24-hour customer services telephone line for reporting communal repairs. Where possible, homeowners are given a likely timescale for completion of the work.

Sanctuary will provide homeowners with information on the decision-making process for appointing contractors and/or make documentation relating to tendering processes available on request.

Sanctuary regularly benchmarks its costs with the wider sector so it can demonstrate this value to customers. A fair payment policy will cover all major works.

If a transfer is approved Sanctuary will also:

- give owners the option to have its estates team clean common areas.
- consider flexible repayment arrangements for owner accounts.



The Formal Consultation Process

Legislation and the Scottish Housing Regulator's tenant consultation requirements state the transfer cannot proceed unless Thistle's tenants are:

- formerly consulted on the transfer proposals from Sanctuary Scotland.
- notified of any changes following consultation.
- balloted on the final offer with a majority of the tenants who vote supporting the transfer to Sanctuary Scotland.

The ballot is expected to commence in October 2020 and will be run over 28 days by Civica Election Services, an independent ballot provider. How you vote will remain confidential. Thistle tenants including joint tenants with a Scottish Secure Tenancy are entitled to vote. We will contact you before the ballot again to explain the voting process and to remind you of the transfer promises that will be delivered if you vote YES when the time comes.

The Scottish Housing Regulator must be satisfied that a majority of tenants who vote support the transfer. If the Ballot result is in favour of transfer, we then need to hold two Special General Meetings of Thistle shareholders to agree the final resolution for the transfer to take place. The benefits described in this document are based on Thistle tenants voting in favour of a transfer into Sanctuary Scotland.

If Thistle tenants vote against the proposal, this transfer will not proceed.

The Scottish Housing Regulator has been kept fully informed of the transfer proposals and process throughout. If tenants vote YES in the independent ballot later this year, Thistle and Sanctuary will look to complete the transfer by 31 January 2021.

Tenants Information Service – your independent advisor

The Tenants Information Service (TIS) is your Independent Tenant Advisor.

TIS can provide you with advice and information on the proposal and answer any questions you have about it. You can contact TIS in the following ways:

- FREEPHONE 0800 488 0982
- Email info@tis.org.uk

TIS worked closely with tenants and factored owners to help shape the transfer proposal.

It has also independently assessed the Business Case developed by Thistle and Sanctuary Scotland for the transfer.

Ilene Campbell, TIS chief executive, said: “I would encourage every tenant to carefully read about the proposed partnership and take this opportunity to give your thoughts and ideas.

“As well as speaking to team members from Thistle and Sanctuary Scotland, you can also speak to a member of the TIS team for impartial advice on this transfer and what it would mean for you and your home”.



Ilene Campbell - Chief Executive, TIS



Views on the Proposal

Carly Monaghan, community development officer – “I think it’s a fantastic offer from Sanctuary with many benefits for tenants and staff”.



Lorraine Quinn, housing manager – “I’m excited to be part of this change and support a transfer to Sanctuary Scotland. The investment pledge in particular will be welcomed by the majority of our tenants whose homes haven’t been improved for years”.



Lorna McCann, Thistle tenant – “I think the offer is really positive and great for Toryglen. I’ll be voting YES to the transfer”.

Susanne McIntyre, factored owner – “A lot of work has gone into preparing the offer. It sounds really good and I’d go for it based on what I heard at the focus group”.

Frequently Asked Questions:



Why will only tenants get to vote in the ballot?

The formal consultation and ballot are on the matter of the change of the landlord. Legislation sets out that both formal consultation and the ballot are only a matter for tenants (including joint tenants) with a secure tenancy. The Scottish Housing Regulator's guidance on consultation involving a change of landlord can be accessed at <https://www.housingregulator.gov.scot/for-landlords/statutory-guidance/tenant-consultation-and-approval>

Why Sanctuary Scotland?

Our advert for a partner included essential criteria. Sanctuary Scotland's submission scored the most on the things you told us matter most.

Do I need to sign a new tenancy agreement if the transfer goes ahead?

Thistle tenants would retain all their existing rights. You will not have to sign a new tenancy agreement as this would transfer automatically to Sanctuary Scotland.

Will the 'Thistle' name stay if a transfer takes place?

Thistle will not exist as a housing association if a transfer to Sanctuary Scotland is approved. Your landlord would become Sanctuary Scotland.

What happens if the transfer does not proceed? Can Thistle stay independent?

If tenants did not support the voluntary transfer to Sanctuary Scotland, Thistle would continue to face serious and urgent challenges.

The Scottish Housing Regulator could use its legal powers to direct a transfer to another housing association without the need for a tenant ballot or shareholder support. A directed transfer would not secure the benefits being offered by Sanctuary Scotland. The SHR's guidance for directing a transfer can be accessed at <https://www.housingregulator.gov.scot/for-landlords/statutory-guidance/consultation-where-the-regulator-is-directing-a-transfer-of-assets>

Thistle's lenders are supportive of the transfer to Sanctuary Scotland and could call in their loans if a solution is not agreed.

What Happens Now?

Your thoughts on this Stage 1 Consultation Notice are very important to us. We need to receive your comments before Thursday 24 September 2020. Tell us what you think by doing one of the following:



Return the Feedback card in the **pre-paid envelope** supplied or **post it through** Thistle's office door



Comment on the Transfer Facebook page, www.facebook.com/ThistleHATransfer



Contact TIS on FREEPHONE 0800 488 0982



Email TIS at info@tis.org.uk

Thistle and Sanctuary staff plan to be out and about in Toryglen as much as Scottish Government guidance allows. Where possible we'll look to knock your door and you may also receive a phone call from us. Your feedback will be considered by Thistle's Management Committee before the consultation process moves to Stage 2.

Stage 2 – we will notify you of any changes to the proposal based on the feedback we receive. If the proposal changes you will have another opportunity to tell us what you think of it.

Ballot – once Thistle's Management Committee has considered the feedback from the Stage 1 consultation and tenants have been notified of any changes that result, you will be invited to vote in a ballot (probably in October). You will get your ballot paper in the post plus information on the different ways you can cast your vote.

The transfer promises in this document will only happen if tenants vote YES to a transfer. If you support the transfer it is important you cast your vote when you receive your ballot paper.

To request this publication in a different format or language please phone TIS on 0800 488 0982.

