

**Thistle
Tenants
and Factored
Owners**

Have Your Say



**Scottish Housing
Regulator**

Proposal for The Scottish Housing
Regulator to make a direction to
transfer all of Thistle's assets to
Sanctuary Scotland

**Have your say,
complete the tear off
survey on the back
page and return by
December 14th 2020**

This newsletter contains important information about the future of Thistle Housing Association (Thistle). It provides details of the consultation process and how you can find out more about the proposal for Thistle to transfer all of its assets to Sanctuary Scotland Housing Association (Sanctuary Scotland). Your views are important, so please take a few minutes to complete the short survey that is included. You have until 14th December 2020 to give your views.



HAPPY TO TRANSLATE

Welcome from Tenants Information Service



This newsletter has been produced by the Tenants Information Service (TIS). We are a national organisation providing independent tenant advice in Scotland. We have been appointed by the Scottish Housing Regulator to be your **Independent Tenant Adviser**. We are also the Independent Adviser for factored owners. We will work with you throughout the consultation period:

- to provide independent advice to make sure you fully understand what the proposal will mean for you now, and in the future; and
- to collect your views about the proposed directed transfer.

The consultation period will last for 21 days. At the end of the 21-day consultation period we will collate tenants' and factored owners' views for the Scottish Housing Regulator to help it make its decision about the proposed transfer.

The Scottish Housing Regulator's engagement with Thistle



The Scottish Housing Regulator ('the Regulator') is responsible for monitoring the performance and governance of all social landlords in Scotland to make sure that they meet the regulatory standards that are required of them. The Regulator's objective is to safeguard and promote the interests of persons who are tenants of social landlords and those who receive housing services from a social landlord.

The Regulator wrote to you on 12th November about the serious concerns it has about Thistle together with details of the statutory intervention the Regulator has already taken.

Why has Thistle's management committee asked SHR to 'direct' a transfer?

Thistle and Sanctuary Scotland have been developing plans for a **voluntary** transfer of Thistle to Sanctuary Scotland. The aim of the transfer is to provide a solution to Thistle's problems. Recently, Thistle has been consulting tenants and factored owners about the voluntary transfer proposals. The results of Thistle's formal consultation about the transfer indicated that the majority of tenants and owners supported the transfer. A significant majority (92%) of tenants voted yes to transfer in the independent ballot which ran from 5th October to 2nd November 2020. (The ballot was in relation to the change of social landlord from Thistle to Sanctuary Scotland. Factored owners were not included in this ballot).

Thistle's management committee is concerned that there may be a significant delay to the **voluntary** transfer and that a delay could jeopardise the transfer previously agreed with Sanctuary Scotland. Thistle's management committee has asked the Regulator to use its statutory powers under section 67 of the Housing (Scotland) Act 2010 (the 2010 Act) to **direct** a transfer of all of Thistle's assets to Sanctuary Scotland. Thistle's management committee believes that a delay in the transfer would not be in the best interests of tenants and would prevent the current problems which Thistle faces being addressed.

Why is the Regulator considering directing a transfer?

Under section 67 of the 2010 Act the Regulator can direct a transfer if, having made inquiries, the Regulator considers that certain conditions are met. After making inquiries the Regulator considers that the conditions are satisfied. The Regulator considers that:

- there has been mismanagement in Thistle's affairs;
- the viability of Thistle is at risk for governance reasons;
- Thistle cannot provide housing services to an acceptable standard; and
- the transfer of all of Thistle's assets to Sanctuary Scotland will improve their management.

Before making a decision to direct a transfer of assets, the Regulator must consult with tenants. This is a legal requirement under the 2010 Act. Once the consultation is complete, the Regulator must consider all the views expressed by those who have been consulted before making a direction. The Regulator must also have regard to the views of other key stakeholders listed in the 2010 Act. These include Thistle's lenders. The 2010 Act does not require the Regulator to consult with factored owners but, in this case, it has decided that it is appropriate to do so.

What does a transfer of assets mean?

The Regulator is consulting tenants and factored owners on the proposal that the Regulator **directs** a transfer of **all of Thistle's assets** to Sanctuary Scotland.

If after considering the views expressed during the consultation, the Regulator makes a direction to transfer all of Thistle's assets to Sanctuary Scotland, the transfer of Thistle's assets will largely have the same effect as the voluntary transfer of engagements that Thistle had planned. This means that all of Thistle's assets (homes, office, equipment etc.) will transfer to Sanctuary Scotland from the date the transfer concludes. Sanctuary Scotland would then be the landlord for the tenants, the factor for the factored properties and the employer of Thistle's staff team. All existing rights of tenants, factored owners and staff are protected.

Why is the Regulator considering a directed transfer to Sanctuary Scotland?

Sanctuary Scotland currently provides interim leadership and asset management support to Thistle. You may already be familiar with their services. Sanctuary Scotland is compliant with regulatory requirements and Regulatory Standards.

Thistle and Sanctuary Scotland have been developing plans for a voluntary transfer of Thistle's assets to Sanctuary Scotland. The Stage One Consultation Notice sent to you by Thistle included details of the services and benefits Sanctuary Scotland would provide to Thistle's tenants and factored owners. Sanctuary Scotland has confirmed that it will deliver all it had committed to in the proposed voluntary transfer, even if the Regulator directs a transfer. A summary of Sanctuary Scotland's transfer commitments is set out below.

The Regulator has considered the voluntary transfer business case and considers that the transfer of all of Thistle's assets to Sanctuary Scotland will improve the management of the assets.

Sanctuary Scotland's transfer commitments

Sanctuary Scotland has provided details of the services and benefits it will deliver to tenants and factored owners after a transfer of Thistle's assets to Sanctuary Scotland. More information can be found on Thistle's website (<https://www.thistle-ha.org.uk/transfer-latest/>), Thistle's transfer Facebook page (<https://www.facebook.com/ThistleHATransfer/>) and in the voluntary transfer Stage 1 Consultation Notice (<https://www.thistle-ha.org.uk/wp-content/uploads/2020/08/STAGE-1-NOTICE-FINAL.pdf>). A copy of the Stage One Consultation Notice can be provided on request.

Sanctuary Scotland has provided a commitment to tenants and factored owners that once the transfer of Thistle's assets is complete, Sanctuary Scotland will:

- Spend more than £11 million improving Thistle's homes by the end of 2024. (Thistle plan £3.6 million over this period). This includes:
 - Resolving the issues relating to the major works contract and related asbestos removal work.
 - £7 million on new kitchen and bathrooms for tenants who haven't recently had one installed.
 - £0.5 million on windows and doors.
 - £0.6 million on improving the environment.
- Improve rent affordability by committing to Retail Price Index (RPI) inflation increases plus 0.5% for 3 years capped at a maximum of 3%. (Thistle plan on RPI inflation plus 1%). Rent increases will take effect on 1st July instead of 28th March, effectively freezing rents for 3 months in 2021.
- Thistle's Toryglen office will remain open and local staff will be retained. Senior Sanctuary Scotland staff will lead and support the local team, manage contractors and ensure homes comply with health and safety regulations.
- Double Thistle's current community investment budget to £50,000 a year.
- 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 Scotland's central Area Committee and National Review Panel.
- Introduce Sanctuary Scotland's dedicated in-house factoring service. Sanctuary Scotland confirm that this will save factored owners money on their annual insurance premium.
- Explore development and regeneration opportunities to increase Toryglen's housing options.
- Provide governance which complies with Regulatory Standards. Sanctuary Scotland's board of management will ensure the Association is well managed and complies with legal and regulatory requirements.

Why are tenants and factored owners being asked for their views about transfer again?

The Regulator is conscious that many tenants and factored owners have already been involved in the consultation about the **voluntary** transfer of Thistle to Sanctuary Scotland. There was extensive engagement with tenants and factored owners in the formal consultation and a large turnout for the tenant ballot which ran from 5th October to 2nd November, with a strong majority of tenants voting in favour of the transfer.

The consultation in relation to the Regulator making a direction to transfer the assets of Thistle to Sanctuary Scotland is a separate statutory process. The Regulator must consult with tenants before making a direction. In addition, the Regulator has decided to include Thistle's factored owners in the consultation process, given their interest in the transfer.

Once the consultation is complete, and before making a direction, the Regulator must consider the views expressed during the consultation period. **It is, therefore, important that you let us know your views.**

How long will the consultation take?

The consultation will be over a period of 21 days, from **20th November to 14th December 2020**.

When will the directed transfer take place?

The Regulator is still considering whether to make a direction to transfer Thistle's assets to Sanctuary Scotland. The Regulator will not decide whether to make a direction until after you have been consulted and the Regulator has considered your views. If, however, the Regulator makes a direction to Thistle to transfer all of its assets to Sanctuary Scotland, the transfer is likely to complete in early 2021.

Have your say!



Tenants and factored owners survey

The Regulator wants to hear your views. You can tell us what you think in a way that suits you. You can:



Complete the attached survey and return the survey using the **FREEPOST** envelope provided. It will only take a few minutes to complete;



Complete the online survey at: <https://www.surveymonkey.co.uk/r/WPR2WJL>;



Send us an email at info@tis.org.uk; or



Give us a call on Freephone 0800 488 0982.

Accessibility

If you have difficulty with our newsletter or you need information in a different format like large print, easy to read, audio recording or braille, please contact TIS on **Freephone 0800 488 0982** or email on **info@tis.org.uk**.

Contact us for help and advice

If you need help with the newsletter or the survey, or have some questions about the proposal, TIS are here to answer your questions and can also provide independent advice. Contact us on our **Freephone number 0800 488 0982** or by email on **info@tis.org.uk**.

You can read more on Thistle's website (**<https://www.thistle-ha.org.uk/transfer-latest/>**) and on Thistle's Facebook transfer page **www.facebook.com/ThistleHAttransfer**

Data Protection

We are committed to protecting your privacy in line with the General Data Protection Regulations (GDPR). Any personal information provided to us will only be used to provide feedback to the Regulator regarding your views about the proposal for Thistle to transfer its assets to Sanctuary Scotland.

We will not keep your personal data for any longer than is necessary. Your personal data will therefore only be kept until a week after the consultation concludes.

The consultation period ends on Monday 14th December 2020

The Regulator will write to you in the new year and confirm the outcome of its considerations about whether to make a direction to transfer all of Thistle's assets to Sanctuary Scotland.

Thistle Tenants and Factored Owners Survey - Have Your Say

Win £50
in retail
vouchers!

Plans to transfer all of Thistle's assets to Sanctuary Scotland

For your chance to win £50 in retail vouchers, please spare a few minutes to take part in our survey, and share any thoughts or concerns that you have about the transfer proposals.

Return your comments using the pre-paid envelope or alternatively visit the online survey at <https://www.surveymonkey.co.uk/r/WPR2WJL>

Please ensure that your feedback reaches us by 12 noon on Monday 14th December 2020.

Please call TIS your Independent Tenant Advisor on 0800 488 0982 if you have any questions or need help completing the survey.

1. Your Details:

Name:		
Address:		Postcode:
Telephone (optional):		
E-mail (optional):		
I am a:	Thistle Tenant <input type="checkbox"/>	Factored owner <input type="checkbox"/> Please tick

2. Please tell us what you think about the proposal that SHR directs the transfer of all of Thistle's assets to Sanctuary Scotland:

3. Do you have any specific questions about the directed transfer that you would like answered?

4. Declaration: I can confirm that the views expressed above are my own and were freely given.

Signature: Date:

THANK-YOU FOR TAKING PART IN THIS SURVEY