



Transfer News

EDITION 1



Caledonia Selected As Faifley's Transfer Partner

In April 2021 we wrote to all tenants to tell you about the steps that we had taken to review the future options available to the Association, and that after detailed consideration we had decided to seek a partnership via a transfer of engagements to a housing association.

All of the registered social landlords who expressed an interest in working in partnership with us were considered through a rigorous assessment process. Taking account of our detailed discussions with tenants and our Management Committee, the assessment focussed on a number of key criteria including:

- ✓ **Increasing investment in the homes that we provide**
- ✓ **Improving and enhancing the services that we provide**
- ✓ **Ensuring that our rents are fair, affordable and represent value for money**
- ✓ **Improving how we are run and managed**

Following our review of all submissions received, we advised that Caledonia Housing Association were selected as our preferred transfer partner. We had a strong field of potential partners and applied a rigorous selection process to select the best initial offer. Our Management Committee agreed that the proposal received from Caledonia was the one that presented the best options and future for Faifley's tenants, factored owners and staff.

The transfer of engagements would mean all of Faifley's interests transferring into Caledonia. It would mean that Faifley no longer exists as a housing association and the ownership of our homes and other assets would transfer to Caledonia. For tenants, if the transfer proceeds, there will be no changes to your rights as a tenant and your tenancy agreement would transfer to Caledonia. This would likewise also apply in relation to the agreements for existing factoring service customers. Our staff team would also transfer to Caledonia.

Why Caledonia Housing Association?

In selecting Caledonia as our preferred transfer partner, this reflected:

- ✓ **Caledonia's strength in terms of finances and good governance, and its ability to deliver property improvements and enhanced landlord services to Faifley tenants whilst keeping rents affordable.**
- ✓ **Their initial strong offer to become our transfer partner that we will now work into detailed plans that we hope to consult with you on later this year.**
- ✓ **Caledonia's track record of delivering successful partnerships and transfers including in the West Dunbartonshire area.**

We saw a clear fit with Caledonia in terms of our shared commitment to really making a difference for the tenants and communities we each serve. We could see the ability to save costs by coming together, that could then be re-invested on the things that matter to our tenants.

The initial transfer proposal from Caledonia gave the greatest scope to improve rent affordability, whilst increasing investment in homes and the environment, improving the range and quality of services to our tenants and other service users over the short, medium, and long term. It would also address the various regulatory and governance weaknesses that Faifley is experiencing.

Caledonia Housing Association was therefore an easy choice as our preferred transfer partner and over the coming months, tenants will have the chance to see and comment on what a transfer to Caledonia could bring.

What are the Intended Benefits of a Transfer?

Based on tenant feedback to date, we identified a list of transfer priorities that were used to select a transfer partner. As we now work with Caledonia on a detailed transfer offer, we want to first test that we have captured all that is most important to you as our customer.

In the 'Have Your Say' feedback form enclosed with this this newsletter, we have listed the transfer priorities. We welcome your feedback on whether you agree with these priorities. We also want to hear your views on some specific questions and whether you want to get more involved in shaping the transfer plans. Please take a few minutes to complete and return the feedback form to let us know what you think.

Who Are Caledonia?

Caledonia Housing Association is one of Scotland's leading providers of high-quality affordable homes and associated services for people in housing need, owning and managing over 4,600 social rented homes in 8 local authority areas. They also provide factoring services to 1,658 homes in Scotland. A further 512 social rented homes are owned and managed in the Renton area of West Dunbartonshire by subsidiary, Cordale Housing Association. Caledonia's business strategy is focussed on providing homes and services that make life better.

The Association was formed in 2011 following the merger of Perthshire and Servite Housing Associations.

In the period since, the Association has continued to grow through the provision of over 1,500 new affordable homes and developing new successful partnerships with Bellsmyre and Antonine Housing Associations and its subsidiary Cordale Housing Association. They also have a strong track record in service delivery with performance levels comparing well to other Scottish housing associations, good levels of satisfaction with their services and rent increases that have been consistently below the national average. They are a financially strong organisation, and this has supported their new build housing programme as well investment in their existing homes of around £4m per year.

What is a Transfer of Engagements?

A Transfer of Engagements is the legal process that allows one housing association to transfer all of its homes and interests into another. If this transfer of engagements takes place, all of Faifley's operations transfer to Caledonia i.e., tenants become Caledonia tenants and retain ALL of your existing tenancy rights, staff become Caledonia employees with their terms and

conditions protected under TUPE. Caledonia becomes the factor of the factored stock.

If the transfer goes ahead, Faifley would no longer have its own Management Committee. However, we want to hear from you on what you want to see after the transfer to ensure a strong tenant voice to shape local services.

Who will look after Faifley's interests in the Transfer Talks?

We have engaged Mags Lightbody, of Lightbody Consultancy to act as our Transfer Advisor and represent Faifley's interest in the transfer negotiations. Mags will lead the team of advisers who will work on this from our side. She has successfully delivered several of these types of transfers recently, negotiating impressive packages of benefits for tenants in each case and recording high levels of tenant support on every transfer.

Her focus will be on making sure we get the best possible transfer offer from Caledonia and confidence they can deliver what they promise. She will also lead our team on consultation plans with our tenants to make sure you are fully informed on the transfer and what it means **BEFORE** you are asked to make any decisions.

Do tenants have a voice?

YES! We will follow the Scottish Housing Regulator (SHR) statutory guidance on Tenant Consultation and Approval (2019). This sets out the legal and regulatory requirements for any landlord proposing a transfer and can be found on the SHR website at: www.housingregulator.gov.scot/for-landlords/statutory-guidance/tenant-consultation-and-approval

We are at the stage of informal consultation as we build the Business Case. Once this is approved, we then move into formal tenant consultation which culminates in a tenant ballot. The transfer can only happen if a majority of tenants voting support it.

There will be lots of opportunities to get involved and give your views.

Introducing your Independent Tenant Adviser

The Tenants Information Service (TIS) has been appointed as Independent Tenant Adviser to work with tenants to ensure you have all the information you need, and you are supported throughout the process to understand the implications of a Transfer of Engagements.

TIS is a national organisation that has provided independent advice to the majority of tenants in Scotland considering a Transfer of Engagements. They will be in touch to hear your views.

TIS will also carry out an independent assessment of the eventual transfer proposal to ensure that all the tenant promises offered are in line with what tenants want and can be paid for if the transfer proceeds.

TIS will provide a free advice line during the tenant consultation, so if you have any questions about the transfer proposal or want to get more involved, please call TIS on 0800 488 0982 (during office hours).

What Happens Next?

A transfer of this nature requires careful consideration and a number of stages that must be undertaken, including the following;

- ✓ preparation of a detailed business case that will develop the initial submission from Caledonia into detailed transfer promises if tenants support the transfer taking place;
- ✓ 'due diligence' which means both Faifley and Caledonia checking each other legally and financially;
- ✓ formal consultation with tenants;
- ✓ speaking to stakeholders;
- ✓ if all goes to plan, an independent ballot where every Faifley tenant will get to vote on the transfer;
- ✓ meetings of the association's membership to approve a transfer resolution.



Caledonia Housing Association is the trading name of Caledonia Housing Association Ltd

Registered Office: 5 South St Johns Place, Perth PH1 5SU Caledonia Housing Association Ltd is a registered society under the Co-operative and Community Benefit Societies Act 2014 – Reg. No. 2343R(S)

Scottish Housing Regulator Reg. No. HEP 224

Scottish Charity No. SC013988

How to get involved

We will send out regular updates through Transfer News over the coming months to keep you advised on how the proposals are progressing.

We also want to set up a new Focus Group with a group of our tenants that can help shape the transfer plans.

When formal consultation takes place, we will have an intensive consultation to make sure we get out to talk to all of our tenants at your home and at local events. We will ensure all of our engagement complies with Covid guidance at that time so that we keep you and our staff teams safe.

Please complete the enclosed Have Your Say feedback form and let us know what you think about the transfer priorities. Your views are vital in shaping the transfer plans.

If you have any questions or want to provide any views or feedback in the meantime, then please:

Call us on **01389 877 924**

Email us at **transfer@faifleyha.co.uk**

Visit us on our website **www.faifleyha.co.uk**

Write to us at

Faifley Housing Association Ltd, Skypoint Centre, Lennox Drive, Clydebank, G81 5JY

NEW! We've created a Facebook page which will have regular updates. Follow us and like us on facebook @Faifleyha for all the latest information and options to get involved.



Registered Office: Skypoint, Lennox Drive, Faifley, Clydebank, G81 5JY

Registered Scottish Charity No. SC037273

Registered with the Scottish Housing Regulator, Registration no. HCB 237