

# STAGE 1 CONSULTATION NOTICE



**ANCHO is proposing a partnership with Cairn Housing Association, bringing new investment to your homes and affordable rents, all still delivered by your ANCHO team in Irvine.**

ANCHO and Cairn have been discussing the exciting possibility of a new partnership, which will see ANCHO become part of a new 'Cairn Group'.

This formal stage 1 consultation notice sets out the promises to ANCHO tenants. We are inviting you to read through these proposals and let us know what you think about the partnership by the **6th of March 2018**. The final decision on whether the partnership goes ahead will be yours, through a formal ballot, in the next few months.

## The partnership in a nutshell



**We believe this partnership could bring considerable benefits for you, as a tenant of ANCHO.**

1. Local services from the ANCHO team in Irvine, with support from Cairn
2. £4.5m in additional investment in your community from the Cairn Group, with hundreds of new kitchens and other home improvements
3. An affordable rent guarantee for five years, with lower rent increases than proposed by a stand-alone ANCHO
4. The potential to develop new affordable homes in North Ayrshire



When the ballot opens - vote 'yes' for the partnership with Cairn



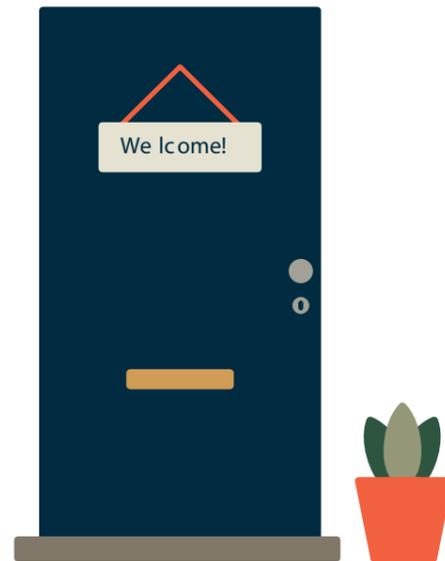
## About Cairn

Cairn has been serving local communities across Scotland for over 25 years. They are a not-for-profit registered charity and housing association, just like ANCHO, with over 3000 homes, and offices in Bellshill, Inverness and Edinburgh.

Cairn are committed to creating thriving, well run and sustainable communities that people are proud to call home. The Association has been on an improvement journey in recent years, with a focus on modernisation, efficiency, value for money and better customer services.

To find out more about Cairn please visit [www.cairnha.com](http://www.cairnha.com) or call Neil Golightly, Cairn's Business Services Manager on 0800 990 3405 for a chat.

# cairn



"We are excited to have the opportunity to work with ANCHO and our team are dedicated to providing great homes and services to all tenants and residents. Both organisations share similar values and a commitment to offering the highest possible quality of services. We are looking forward to getting to know you and working with ANCHO in the local community."

Jason MacGilp, Cairn's Chief Executive

## The new Cairn Group

As part of a new partnership ANCHO will retain their own identity as a registered social landlord and continue to be accountable to a voluntary Board of Management. Following the start of the partnership ANCHO would become a subsidiary of a new Cairn Group, with a Board of Management which would include representatives from ANCHO's Board.

## The partnership promises – the offer to you

### Local services from the ANCHO team, with support from Cairn

ANCHO and Cairn both recognise that each organisation has its own individual strengths. By working together we can learn from each other and develop better services to tenants.

As part of the new partnership the ANCHO team will continue to be based in an office in Irvine, with the same team working to provide you with high standards of service.

Cairn will provide the ANCHO team with additional help and support with things like finance, human resources and I.T. This means that the ANCHO team can be more efficient, and spend more of their time out in your communities, meeting with tenants and providing better services.

"I've volunteered to get more involved because I think it's important this partnership goes ahead. I've worked at ANCHO for 17 years and I want the tenants to see I'm backing this. I'm going to be out speaking to as many of you as possible over the next couple of months, it's important that everyone is well informed to make their choice for the future of ANCHO."

Lorna Scott, Housing Officer at ANCHO



## New homes in North Ayrshire

The new Cairn Group will have the borrowing capacity and the skills of our experienced in-house team, to develop much needed affordable homes in North Ayrshire.

Cairn has built hundreds of modern, affordable homes across Scotland and has an active programme of new schemes in the planning. If the ANCHO partnership receives the backing of tenants Cairn will work with North Ayrshire Council, the Scottish Government and house builders to identify opportunities to build new homes locally.



## Investment in your homes and communities

The proposed partnership will deliver £4.5m in additional investment in your community, with hundreds of new kitchens and other home improvements

A new partnership with Cairn Housing Association will bring accelerated investment to ANCHO homes.

Cairn will invest £4.5m in ANCHO's homes and neighbourhoods, in addition to £3.2m committed by ANCHO. This means that, provided the partnership goes ahead, we will deliver the planned investment programme within five years that could otherwise only be delivered in ten years.

Only a partnership with Cairn will see this level of investment into ANCHO's homes in North Ayrshire.

Under an accelerated programme of improvements, the following upgrades are promised over the first five years of the partnership:

### Of 672 ANCHO homes



If ANCHO tenants vote for the partnership, an additional £150,000 will be spent in environmental improvements in your communities. The partnership with Cairn will also commit £100,000 in additional support for ANCHO's excellent community development projects.

\* subject to anticipated funding



"I'm a member of the tenant panel and we've had many conversations with the staff about the deal with Cairn. I'm voting yes because it's clear that this way we can have more affordable rent and more money will be spent on upgrades to our homes. I think it's a good deal for ANCHO tenants."

Pauline McKirdy, ANCHO tenant



## Affordable rent guarantee

The proposed partnership will deliver an affordable rent guarantee for five years, with lower rent increases than proposed by a stand-alone ANCHO

ANCHO and Cairn are committed to continue charging rents that are affordable to local people.

Each organisation must ensure that the rents they charge meet the costs of the services you receive, plus maintenance and improvements to your homes.

ANCHO has predicted that over the next five years they will propose annual rent increases of Retail Price Index (estimated at 3%) +1% in order to meet their costs. This means that if the partnership does not go ahead ANCHO has forecast annual rent increases of 4%.

The Cairn Group's financial plans are based on a guarantee of annual rent increases of no more than Consumer Price Index (CPI) inflation for five years. This is forecast at 2% in the partnership business case.

The lower rent increases are possible because, as part of a new partnership, both organisations become more efficient by spreading their operating costs and achieving better value for money.

After five years the Cairn Group rent policy will apply based on local housing allowance and maintaining affordability for local people.

ANCHO tenants will benefit significantly from these lower

levels of increases but only if the partnership goes ahead.

What this would mean for you (based on CPI of 2%)



"We have taken our time to negotiate the best possible deal with Cairn for the ANCHO tenants. I would encourage everyone to read about the proposals, speak to our team, come along to our events and, when the ballot opens in the next few months, cast their vote in favour of the proposal. This is a good offer which will benefit every ANCHO tenant."

Jackie Browne, ANCHO Chairperson



## So what happens next?

Tenants were involved throughout the negotiations with Cairn and had opportunities to attend open evenings and tenant panel meetings to contribute to the development of the business case for this partnership.

The publication of this document, our formal Stage 1 Notice, marks the start of a four-week consultation process where we are inviting you to make **representations** and share your views on the detailed partnership proposals by the **6th of March 2018**.

Staff from ANCHO and Cairn will be out and about in your community over the next month chatting to you about the partnership.

If you have any comments on the commitments set out in this document there are a variety of ways you can get involved:

- We have included a postage paid feedback

form which you can complete and return to ANCHO

- You can email ANCHO on [mail@ancho.co.uk](mailto:mail@ancho.co.uk) or call the office on **01294 313 121**.
- You can contact ANCHO to arrange a suitable time for one of our team to come out and talk to you about the partnership
- You can contact the Tenants Information Service on **0800 731 3772**.

ANCHO's Board will meet to consider your feedback, before we write to you with details of the next consultation stage.

The final decision about the partnership will be yours. Once the Scottish Housing Regulator is satisfied that ANCHO tenants have had opportunities to comment on the partnership proposals they will give their consent to ANCHO to proceed with a full tenant ballot.

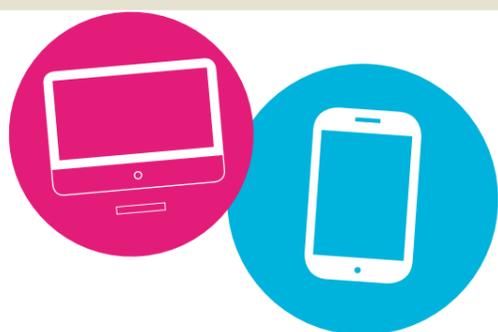
## Partnership events – come along to meetings with Cairn and ANCHO staff

We are holding two partnership events to talk about the exciting future we see for ANCHO.

**Wednesday 21st February 2018** at Taylors Hotel on Byres Road in Kilwinning from 6pm to 8pm.

**Saturday 3rd March 2018** at the Volunteer Rooms on the High Street in Irvine, from 2pm to 4pm.

Please come along for some chat, cake and sandwiches with the team.



## The Tenants Information Service



The Tenants Information Service (TIS) has been appointed as independent tenant advisors to provide ANCHO tenants with advice and information. TIS are entirely independent from ANCHO and Cairn.

"We've been involved in this project at every step of the way to support ANCHO tenants to shape this proposal.

TIS have independently assessed the business case put forward by ANCHO and Cairn to the Scottish Housing Regulator. The proposed partnership with Cairn not only allows ANCHO to retain a high degree of local autonomy but ensures it can thrive and move forward under the umbrella of the larger Cairn group, while offering a better deal to tenants.

We have checked the business case and can confirm:

- A rent guarantee for the first five years with lower rent increases than proposed by a stand-alone ANCHO
- Investment of £100,000 to support local community development and £150,000 on environmental improvements
- Significant investment in your homes with new kitchens and their improvements.

We encourage every ANCHO tenant to carefully read about the proposed partnership and take this opportunity to give your ideas and view. In addition to speaking to the teams at ANCHO and Cairn in the months leading up to the ballot, you can also speak to a member of the TIS team, for impartial information and support on our Freephone number **0800 731 3772**."

Ilene Campbell, TIS Chief Executive

# The role of the Scottish Housing Regulator and Electoral Reform Services

The Scottish Housing Regulator (SHR) are the independent regulator of registered social landlords and local authority housing services in Scotland. The SHR were established in 2011 under the Housing (Scotland) Act 2010. Their objective is to safeguard and promote the interests of current and future tenants of social landlords.

ANCHO and Cairn submitted their business case to the SHR towards the end of 2017 who then gave their consent in January 2018 to start formal consultation with tenants. It is only when the SHR is fully satisfied that the

business case is in the best interests of tenants, and that tenants have had sufficient opportunities to participate, that ANCHO will be granted their consent to ballot tenants on the partnership.

The ballot will be run by the Electoral Reform Services (ERS). ERS are an independent provider of election and voting services. ERS will issue the ballot and collate returns, ensuring that the ballot process is fair and has complete integrity. You will be able to vote online, by post or text.



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This newsletter is available on CD, in Braille, in large print and in community languages.

