

First name last name  
Address number and street  
Town  
City  
Postcode

16 August 2024

Dear first name,

## Bromford's intended merger with Flagship Housing Group

Following the announcement of Bromford and Flagship's intended merger, we are inviting you to share your thoughts. We are keen to hear your views and ensure that your voice is heard.

The consultation period will close on Friday, 20 September 2024 for digital submissions and on Friday, 4 October 2024 for customers responding by post. You must submit any questions or comments before these dates for them to be considered as part of this consultation.

There are several ways that you can give feedback:

**Digital survey** - The link can be found at [www.bromford.co.uk/consultation](https://www.bromford.co.uk/consultation)

**By post** - Return the attached survey using the provided prepaid envelope

**Email** - Send your feedback to [merger@bromford.co.uk](mailto:merger@bromford.co.uk)

**In person** - There will be the opportunity to attend a face-to-face drop-in session. The dates, times and locations for these sessions can be seen on the last page of this letter.

Steve Dando,

Chair of the board

## **Customer consultation**

### **Why we want your feedback**

We want your thoughts on decisions that affect you. We want to be transparent and open about our plans and to know how you feel about them.

This is your opportunity to influence the decision-making process in relation to the merger proposals. Our Board will consider all feedback received before deciding whether to not to continue with the merger plans. It's important that you take the opportunity to respond so that we can make sure your views are considered.

### **Keeping you updated**

We will continue to engage and communicate with you as the proposal develops. This consultation gives you the chance to tell us your initial thoughts on the proposed merger.

## **About the merger**

### **A merger does not mean there's anything wrong at Bromford**

Both organisations are in good financial health. We both have strong ratings from the Regulator of Social Housing. We are not considering a merger to address failures. This merger would be designed to enable both organisations to do even more together.

### **Costs of the merger**

The merger will involve colleague time and external advisor costs, however you would not incur a direct cost as a result of the merger. Any costs associated will be offset by the benefits of the merger (see below).

### **Voting on the merger decision**

There will not be a customer vote held for the merger. We will ensure through this consultation that your thoughts and views are taken into consideration by our Board before a final decision is made. You will not be required to sign anything.

### **When the merger would happen**

If approved, the new group structure, which would be formed as part of the merger, would likely come into effect in Spring 2025.

### **Benefits of merging**

The creation of 'Bromford Flagship' would result in an extra £1.9 billion available for us to spend over the next 15 years, as a result of financial savings and additional borrowing capacity. That's over £100 million which can be invested each year in our business, the services we provide to you, in building new homes, and in ensuring our existing homes are energy efficient, safe and warm.

We would see improvements in customer service, our homes, development, regeneration and technology. It would also give us the opportunity to commit £190 million to in-house maintenance for services and community growth.

It would give us the opportunity to become one of the largest developers of affordable homes in the UK. We plan to provide 2,000 homes a year for the next 25 years, half of which will be for social rent, delivering homes for those who need them most.

Bromford Flagship's increased capacity would also provide the opportunity to build on the work that we have recently undertaken with the creation of our new Place Standard. The Place Standard means we are looking beyond individual homes. It considers what is needed for our neighbourhoods to be places where people want to live, and where you and your community can thrive.

### **Disadvantages of merging**

We have undertaken a process of investigation into one another and haven't identified any disadvantages. We believe the merger, if it goes ahead, would be in your best interests as one of our customers. If the merger goes ahead, a small team of colleagues would work together to integrate our organisations but that would not disrupt the focus on providing services to customers. There will be a short term cost to integration, however this helps unlock the ability to create the £1.9 billion of extra spending which would far exceed any short term costs of integration.

You may have concerns about us becoming a larger landlord. We want to assure you that the merger would not affect our commitment to local accountability either.

We would maintain our current teams and how we operate. We would also work towards increasing our effectiveness by giving local teams more decision-making power. This would ensure that customer services are delivered in line with our customers' needs.

These teams would be supported by the creation of a leading digital service for customers and colleagues.

### **Minimising the impact**

The Housing Ombudsman has previously been critical of how other organisations treated customers after the disruption of a merger.

You are at the heart of our decision making. If the merger goes ahead, we'll still be delivering services as we currently do. We have set out some information about Flagship further below. Bromford and Flagship work in different areas of the country, so you shouldn't see any immediate change to how you receive services from us, as your landlord. The proposed merger gives us the opportunity to commit £190 million each year to repairs and improvements to your home as well as community growth.

### **Regulation**

The new group structure would be regulated by the Regulator of Social Housing. You would continue to have the right to raise complaints to the Housing Ombudsman and be protected by the standards set by the Regulator of Social Housing.

## **About Flagship**

### **Why we are considering a merger with Flagship**

Here are some of the key things that make Flagship the right organisation for us to merge with:

- like us, Flagship has a strong financial position. A merger would mean our combined position is even stronger
- Flagship has a strong portfolio of affordable homes with only one high rise block

- Flagship's purpose focuses on customers and place, just like us, meaning our investment in neighbourhood coaching and income advisors would continue

Flagship are a housing association with 32,000 homes in the East of England, with their head office in Norwich. They employ over 1,400 colleagues and have a V2/G2\* rating from the Regulator of Social Housing.

\*The regulatory ratings for social housing: 'G' stands for governance, assessing how well an organisation is managed and run. The 'V' assesses the financial stability and sustainability of an organisation. The ratings run from 1 to 4, with 1 being the highest score possible.

### **How Flagship's customers rate them**

On overall satisfaction in relation to Flagship's low-cost rented customers, Flagship scored an overall satisfaction score of 71.9%.

You can find out more about Flagship's Tenant Satisfaction Measures performance on their website [www.flagship-group.co.uk/about-us/flagship-group-s-tenant-satisfaction-measures](http://www.flagship-group.co.uk/about-us/flagship-group-s-tenant-satisfaction-measures)

## **How the merger would affect you**

### **Your rent and service charge**

Your rent and service charge would not change as a direct result of the merger. Your rent and service charge would continue to be reviewed each year in the same way they are now. Where you are a tenant, your current protections over how much your rent can increase by year on year (as set out by the Regulator of Social Housing) would continue.

### **Your tenancy agreement or lease**

The merger would not affect your relationship with us as a customer. You would remain in your existing home and your landlord would not change as a result of the merger – it would just be part of a wider group structure. We would continue to honour the terms of your existing tenancy agreement, or lease. Your rights and the terms of your current agreement would remain the same. If you're a shared ownership or leasehold customer, you would not be affected, your landlord would remain the same and the terms of your lease and your rights would also remain the same.

### **Repairs and maintenance to your home**

You would continue to contact us in the same way. Delivering quality services would continue to be a priority for us and we only expect you to see improvements in how we respond to repairs.

The merger would give us the opportunity to commit £190 million every year to repairs, maintenance and improvements to our homes, and towards community growth.

Shared owners and leaseholders would remain responsible for repairing and maintaining their homes unless there are agreements already in place for us to carry these out.

### **Your neighbourhood coach and income advisor**

You would have the same relationships with the same colleagues and there are no plans to change this. All telephone numbers would initially remain the same and you would continue to be able to contact us in the same way.

As we introduce improvements in the coming years, this may change, but we would make sure you know about any changes in advance.

### **If you're in arrears**

If you owe us money at the time the proposed merger goes ahead (rent arrears, court costs, money for damage or a rechargeable repair), then these debts would stay with you, and we would still be able to enforce existing court judgements for these arrears. If you have concerns about arrears, then please contact 0330 1234 034.

### **Housing Benefit and Universal Credit**

Housing Benefit and Universal Credit claims would remain unchanged. Help and advice would continue to be given to customers or leaseholders about benefit entitlement and support for you if you are experiencing financial difficulties.

### **The Right to Buy and Right to Acquire**

If you have the Right to Buy or Right to Acquire your home, you will continue to have that right. It would not be impacted by the merger.

### **Attend a consultation face to face**

Location	Date	Time
David Garrick Gardens, Lichfield, Staffs, WS13 7JN	6 September	9.30 - 13.30
Franciscan View, The Friary, Lichfield, Staffs, WS13 6QE	4 September	13.30 - 16.30
Heathcote	9 September	13.30 - 16.30
The Haven, Lower Villiers Street, Wolves, WV2 4LR	2 September	9.30 - 13.30
The Oaks, Merridale Road, Wolverhampton, WV3 9RZ	9 September	9.30 - 13.30
St Birinus Court, Lechlade, Gloucestershire, GL7 3BU	13 September	13.30 - 16.30
Fisher House, Stow on the Wold, Gloucester, GL54 1LS	29 August	13.30 - 16.30
Atherton Close, Shurdington, Cheltenham, Gloucestershire, GL51 4SB	30 August	13.30 - 16.30
Tynings Court, Albemarle Road, Churchdown, Gloucester, Gloucestershire, GL3 2HF	3 September	9.30 - 13.30
Kennedy House, Yate, Bristol, Avon, BS37 4NR	2 September	9.30 - 13.30
Shrubbery Court, Berkeley Rd, Staple Hill, Bristol, BS16 5LJ	11 September	9.30 - 13.30
Sinclair House, Gloucester Road North, Filton, Bristol, Avon, BS34 7PB	30 August	9.30 - 13.30

