30th November 2020

Dear [Tenant]

Consultation

Earlier this year, after hearing your positive feedback and answering your questions we announced that we were one landlord, Connexus. Because of the previous merging of the companies the Group currently comprises of Connexus Housing Limited (CHL) as the “parent” housing association with three housing associations as subsidiaries – CH1, CH2 and CH3. All our residents are tenants or leaseholders (which includes shared owners) of one of the three associations.

We are now proposing to consolidate the group as we believe that simplifying the current group structure will save money, create a more streamlined organisation and avoid duplication of work. The savings we make can be reinvested in new housing and improving our existing homes and services.

There are fewer sources of funding for housing associations than used to be the case, but the demand for affordable housing continues to rise. Making savings and efficiencies is therefore more important than ever. We believe we will become a more effective and efficient housing association as a result of consolidating.

**What we are proposing is as follows:**

CHL, CH1 and CH3 would merge with CH2 by what is called a **Transfer of Engagements (TOE)** which is just a legal method of merging housing associations.

This would then create one landlord for all our residents. We will then change the name of the merged organisation from Connexus Housing Two Limited to Connexus Homes Limited.

**How you can have your say?**

This letter forms our consultation with you, and we welcome your questions and feedback. The consultation period lasts for 6 weeks from the date of this letter. We need to have received comments from you by then in order to take them into account.

* Email us via hello@connexus-group.co.uk
* Call us on 03332 31 32 33
* Fill in the feedback form on our website connexus-group.co.uk/contact
* Send your responses in the self-addressed envelope provided

**What happens next?**

Once the consultation is complete, we will feed back to you on the Boards’ decisions and the next steps if the decision is taken to proceed.

We look forward to hearing from you.

Yours sincerely

[insert signature]

**Richard Woolley**

Chief Executive

**FAQs**

**What does it mean for you?**

If it goes ahead, the TOE would mean that current residents of CHL, CH1 and CH3 would have a change of landlord.  CH2, but renamed Connexus Homes Limited will become the new landlord.

The TOE would not have any effect on your tenancy or lease: your legal rights and the terms of your tenancy or lease would remain unchanged - all that would happen is that your landlord would become CH2, but be renamed as Connexus Homes Limited.

If you are already a resident of CH2, your landlord would remain the same but with the name changed to Connexus Homes Limited.

All members of the Group are registered providers of social housing so there will be no change here if the proposal goes ahead.

In summary, if this proposal goes ahead and you are currently a resident of CHL, CH1 or CH3, your landlord would change but you would not see any other changes in the short term. There would be no changes in staff who manage your home as a result of the proposal going ahead. All your legal rights would be protected including the preserved right to buy, if you already have the right. The services you receive would not change but in the longer term, we anticipate being able to bring improvements to those services as a result of the consolidation. Current residents of CH2 would also see no changes to staff or the services you currently receive.

**About this consultation**

We are carrying out this consultation with our residents in line with the Standards issued by the Regulator of Social Housing and in accordance with any right of consultation set out in your tenancy agreement. Your feedback will be shared with the CHL, CH1, CH2 and CH3 Boards and they will take it into account before making any decision to proceed with the proposal. All residents will be informed of the decision.

**Will my landlord change?**

Yes, if you are a tenant or leaseholder of CHL, CH1 or CH3, Connexus Housing 2 Limited (CH2) (subsequently renamed as Connexus Homes Limited) will become your new landlord. However, the conditions of your tenancy or lease would not change as a result of the Group consolidation and you would have the same rights and protection that you have now.

In summary:

If you are a CHL, CH1 or CH3 resident then CH2 will become your landlord, and the name will change to Connexus Homes Limited.

If you are a CH2 resident, then the name of your Landlord will change to Connexus Homes Limited.

**Will I need a new tenancy agreement or lease?**

No, there will be no need for existing tenants or leaseholders to sign a new agreement or lease, as explained above all the conditions would transfer over and there is no need to sign a new document. All the rights and obligations would stay the same.

CH2 (renamed as Connexus Homes Limited) will introduce a new tenancy agreement for all new tenants after the Transfer of Engagements has taken place.

**When will the proposal take effect?**

 We anticipate that the Group consolidation will legally take effect in Spring (end of March 2021) next year.

**Will Connexus Housing Two Limited keep its name?**

It is intended that Connexus Housing Two Limited will change its name to Connexus Homes Limited at the same time as the Group consolidation legally takes effect.

**What is a Transfer of Engagements?**

A transfer of engagements (or “TOE”) is a form of merger. One association transfers all of its assets and liabilities into another association. It is an effective and relatively straightforward way of merging two organisations.

**Will my rent or service charge be affected?**

No, the proposed Group consolidation will not affect your rent or service charge. We will continue to review charges every year, as we do at the moment, in line with your current tenancy agreement or lease.

For tenants the rent will continue to be reviewed in accordance with the requirements of the Regulator of Social Housing.

**Will there be a change to how I pay?**

No.

**What about the preserved right to buy and right to acquire?**

If you already have the preserved right to buy or right to acquire, you will not lose the right and you will continue to be able to exercise the right in the same way as before.

**Will my repairs, grounds maintenance or cleaning contractors change?**

There are no plans to make changes to any of our contractors as a result of this consolidation – as contracts come up for renewal though we will review what’s best for all residents.

**Will I have the same contacts (e.g. my Rent Officer, Tenancy Management Coordinator)?**

Yes, services will continue to be delivered in the same way by the same people and there are no plans to change this. All our telephone numbers will stay the same, and we will be developing new ways for residents to access our services online.

As we introduce improvements over time and integrate the three associations, this may change, and we’ll make sure you know who any new contacts are.

**Will the way I contact you change?**

No, except your landlord will become Connexus Housing Two Limited (renamed as Connexus Homes Limited) if you are currently a tenant or leaseholder of CHL, CH1 or CH3. However, you will continue to get in touch with us as you do at the moment, by phone, by email or via the website.

**Will your offices be affected?**

No, there are no plans to change offices.

**What are the benefits of the proposed consolidation?**

We believe the group consolidation will allow us to generate more economies of scale and achieve better value for money to help achieve our aims of better services, investing in the community and building more homes.

**Are there any disadvantages to the proposal?**

We have looked carefully at the consequences of this proposal and through a process known as due diligence we will ensure that the consolidation will be of no detriment to our residents.

One disadvantage is that the time and resources required to align the systems and people from both organisations may have a delaying effect on some shorter-term improvements, but this will result in efficiencies in the long term. Other than that, we have concluded, subject to residents’ views, that the proposal makes good business sense.

**What are the costs associated with the proposal?**

The merger will inevitably involve initial staff time and external advisors’ costs. However, we are confident these costs will be quickly recovered through the savings that a larger, streamlined organisation will achieve. Residents will bear none of the costs of the consolidation and the savings made in the longer term will mean we are able to improve and add to the services residents benefit from.