



**Victory Homes**  
31 King Street  
Norwich  
NR1 1PD  
**0330 123 1860**

Dear [customer]

## Proposal to merge

**As you may be aware, Victory Homes is part of Flagship Group which is legally known as Flagship Housing Group Ltd.** Flagship Housing Group Ltd (Flagship) is currently holding merger discussions with Bromford Housing Group Limited (Bromford) to become Bromford Flagship Group in 2025.

**And we want to know what you think about it.**

## What exactly is the change that is proposed?

Both organisations are discussing how to create the best combined organisation and what that might look like. So far, there is agreement that there is a lot of potential benefit and that we could achieve more by joining forces.

Both organisations are focused on how they can grow and deliver more to you. As an organisation, we want to invest more in our existing homes as well as building much needed affordable new ones. We want to reduce our carbon footprint and make our homes cheaper to heat. A merger between these two strong housing association groups could help us to deliver all of this and more.

## Benefits of merging

The creation of 'Bromford Flagship' would allow us to borrow an additional £1.9 billion over the next 15 years. That's over £100 million invested each year in improving your homes, repairs and customer service, in ensuring existing homes are energy efficient, safe, and warm, and in regeneration and building new homes.

It would give us the opportunity to become one of the largest developers of affordable homes in the UK. We could deliver up to 2,000 homes a year for the next 30 years, half of which will be for social rent.

Bromford Flagship's increased capacity would also provide the opportunity to create a new Homes, Place and Community Standard. Together, we would be able to focus on the what is needed for our neighbourhoods to be places where people want to live, and where you and your community can thrive.

## Potential disadvantages of merging

If the merger goes ahead, a small team of colleagues will work together to integrate our organisations and leading up to the merger there may be an impact on services, but we hope to keep the disruption to a bare minimum.

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

We want to maintain our current teams and work towards increasing our effectiveness by giving local teams more decision-making power. This will ensure that services are delivered in line with our customers' needs.

## Have your say

We are keen to hear your views. We are now holding a consultation with all our customers to ensure your voice is heard.

The consultation period lasts for eight weeks from the date of this letter and closes on 22 September 2024. You must send any questions or comments before that date for them to be included and considered as part of the consultation. To respond you can:

- Complete the enclosed form and send back to us in the envelope provided.
- Complete the form on our website at [www.victory-homes.co.uk/customer-consultation](http://www.victory-homes.co.uk/customer-consultation) or scan the QR code below.

We have included more information with this letter as part of the consultation to help answer some of the questions you may have.

If you would like us to consider holding a face to face drop-in session in your area please let us know by calling **0330 123 1860** or emailing [customerconsultation@flagship-group.co.uk](mailto:customerconsultation@flagship-group.co.uk).

## What happens next

Once the consultation is complete, our Board will review the comments and feedback, and make a decision on whether to continue working on plans to merge. We'll let you know the outcome of the consultation and the decision made.

Yours sincerely,



**Peter Hawes**

Chair, Flagship Housing Group





## 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 or 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.

Both organisations are in good financial health. We both have strong ratings from the Regulator of Social Housing. This merger would enable both organisations to do even more. Working together, we could attract better funding for vital services, combine our resources, and respond to the needs of our customers and communities.

### Costs of the merger

The merger would 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.

### Voting on the merger decision

There will not be a customer vote held for the merger as the final decision is made by the Bromford and Flagship Board and approved by the regulator.

However, your voice matters, and 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 will 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

Merging two strong organisations would give us better opportunities to access funding – an extra £1.9 billion over the next 15 years would be available to us through borrowing. That's over £100 million invested each year in improving your homes, repairs and customer service, in ensuring existing homes are energy efficient, safe, and warm, and in regeneration and building new homes. It would give us the opportunity to become one of the largest developers of affordable homes in the UK.

We could deliver up to 2,000 homes a year for the next 30 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 create a new Homes, Place and Community Standard. Together, we would be able to focus on the what is needed for our neighbourhoods to be places where people want to live, and where you and your community can thrive.

### **Potential disadvantages of merging**

Understandably the work involved in progressing a merger is time consuming and involves lots of our colleagues undertaking this additional work. This can risk other projects being delayed for a short period. However, we can assure you that we will try our best to keep disruption to a bare minimum.

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. Our services will continue to be delivered in the same way and we will continue to listen to your views and reflect these in our future plans.

There would be a short-term immediate cost to integration, however this would unlock the ability to access additional spending in the longer term, this far exceeds the cost of integration.

We chose Bromford as a potential merger partner, in part, because they are committed to more locally responsive and accountable services. Victory, Newtide, Samphire and Flagship Homes customers will continue to receive a local service and have a voice on local matters.

### **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. As we continue merger discussions, there will be no changes to the services you receive. The priority for both associations is to deliver great services and homes, and to keep improving this. Whilst we acknowledge there could be a small amount of disruption, we will continue to deliver the services you need throughout the merger process.

### **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 Bromford**

Bromford is a housing association with over 47,000 homes in Central and South West of England, with their head office in Tewksbury. They employ over 1,800 colleagues and have V1/G1 ratings from the Regulator of Social Housing (RSH). This means that they have strong financial health and are governed well.

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

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

- Like us, Bromford has a strong financial position. A merger would mean our combined position is even stronger.
- Bromford has a strong portfolio of affordable homes.
- Bromford's purpose focuses on customers and place, just like us.

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

On overall satisfaction in relation to Bromford's low-cost rented customers, Bromford scored an overall satisfaction score of 85.3%.

You can find out more about Bromford's Tenant Satisfaction Measures performance on their website:

[bromford.co.uk/about-us/how-were-doing/tenant-satisfaction-measures](https://bromford.co.uk/about-us/how-were-doing/tenant-satisfaction-measures)

## How the merger would affect you

### Your landlord

Your landlord would not change.

### 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, and the terms of your lease and your rights would 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.

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.

### Roles of employees

You would have the same relationships with the same employees 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 us on **0330 123 1860**.

### 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.



## Customer Consultation feedback

How do you feel about the proposed merger? (circle your answer)

- very positive
- quite positive
- neutral
- quite concerned
- very concerned

Please tell us more about how you feel about the proposed merger.

By merging with Bromford it would allow us to borrow an additional £1.9bn over the next 15 years which would enable us to invest in:

- a. maintaining and improving your homes
- b. making homes more energy efficient
- c. investing more in kitchen, bathroom and window replacements
- d. improving our digital and online platforms for customers
- e. building more homes to help people who don't currently have access to a safe and warm home
- f. regenerating existing homes and places.

Which of the above matters most to

Is there anything not in the above list that should be a priority?

**Do you have any other feedback on the proposed merger you would like the Board to consider?**

**How can we enhance landlord services to better meet your needs and improve your experience?**