

intouch

Newsletter for Sanctuary Housing Homeowners

Spring/Summer 2019



Homeowners Forum Update P4



Repairs responsibility P5



Local stories P8





SPRING/SUMMER 2019



Welcome

Welcome to the latest edition of intouch magazine.

In this issue, there's another update from the Homeowners Forum (P4) whose recent topics for discussion topic have included how we monitor and learn from best practice in the wider housing sector. This is particularly relevant in light of the recent coverage of Sanctuary Housing properties on the Channel 4 Dispatches programme. You can read our full response to the programme on the opposite page. I would just like to reiterate that our priority continues to be delivering excellent services to our residents and to support our staff who work really hard across the country to deliver those services.

This issue also provides useful information about this year's scheme accounts and service charges (P6) and we also take a look at Staircasing on P7 – the process which allows shared owners to increase their share of property ownership should they wish to do so. There's also an informative article about industry concern over interest only mortgages and a helpful reminder about responsibility for repairs on P5.

Finally, have you considered paying your rent or service charges by Direct Debit? It's really easy to sign up and if you do, you're automatically entered into our nationwide prize draw with a chance to win £100 in Love2Shop vouchers.

I hope you enjoy reading this edition. If you'd like to contact us with a story or have any feedback about In Touch magazine, please email housing.communications@sanctuary-housing.co.uk, we enjoy hearing from you. If you need to contact us about anything else, please use the details on the back page.

Daniel Hope
Head of Homeownership

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This newsletter can be translated into other languages, large print and Braille or recorded on to an audio CD. Please contact your local office for details.

How can we help?

If you need to get in touch with us, it's always worth taking a few moments to jot down what you need to know beforehand so we can resolve things quickly for you.

Our Customer Service teams typically receive thousands of calls per week as well as emails, from residents all over the country, so it helps us to direct your query to the right department first time if we have the right information.

Our call centre advisers are trained in many aspects of housing and repairs processes and can often resolve your query straightaway. If they're unable to help, they'll direct your call to the correct team or person who can. Although every Sanctuary property has a dedicated Housing or Homeownership Officer, there are a number of other teams within Sanctuary that may be better placed to resolve your enquiry. So, when you call us, please explain to the advisor the full nature of your call so they can

help you as quickly and efficiently as possible.

If you ask to speak to a particular individual, you may be asked for the reason for your request. If you refuse to provide this our ability to deal with your issue will be affected and it may delay the resolution of your issue. You'll find our contact details on P8.

Our response to Channel 4 Dispatches

You may have seen the recent Channel 4 Dispatches programme in which we featured, which asked whether housing associations are the 'new landlords from hell'.

If you saw the programme, you'll have seen that it featured various cases where the programme makers claimed we had let residents down. While the programme featured tenants rather than owners, we felt it was important to address it here too. We have looked into all the cases in great detail and are confident that we took the right steps throughout and that how our actions have been presented – that we refused to fix issues for example – is simply untrue.

We do recognise however that this programme is indicative of a growing conversation among tenants about the standard of homes and whether they are fit for purpose. We want you to know; we are listening to all our residents.

We're already talking to our National Residents' Scrutiny Panel about how we should go forward, whether we need to review our standards and how we can get more residents involved in scrutinising our services.

If you'd like to get involved with our Homeowner's Forum, or give us your views about any of this, please contact us via the contact details which can be found on the back page of this newsletter.

Switch to Direct Debit today!

You can pay your rent or service charge in a number of ways, but one of the easiest is by Direct Debit. Depending on your agreement, weekly, monthly or quarterly payments are taken straight from your bank account. The payment is automatic, so you don't have to worry about missing it.

Why choose Direct Debit?

- Easy to set up – you don't even need to fill out a form
- Your payments are spread equally throughout the year
- If your charges change, we will write to you and let you know that we are adjusting the Direct Debit for you – you don't need to do anything
- Direct Debit is safe and secure – your payments are protected by the Direct Debit Guarantee
- You can cancel your direct debit at any time

It's as easy as 1, 2, 3

1. Have your bank account details to hand
2. Call us on 0800 916 1516 (0300 123 3579 from a mobile)
3. We'll do the rest.

Switch and Win

Pay your rent or service charge by Direct Debit and you'll be entered into a draw for the chance to **win £100 in Love2Shop vouchers**. The draw is held three times a year and the winner will be contacted by phone.





Homeowners Forum Update

The Homeowners Forum continues to be a strong example of how we work with leaseholders; providing a customer perspective on our services, processes and publications.

The forum meets quarterly and is made up of nine residents from across the country who reflect our portfolio of shared ownership, private retirement schemes, leasehold schemes for older people and properties bought under Right to Buy.

Since the last edition of 'In Touch', the forum has met twice. In the first of those meetings, and in response to a request from forum members, the main discussion topic was about how we monitor and learn from best practice in the wider housing sector.

Sanctuary keeps up to date with best practice in a wide range of ways, including:

- Following the principles of laid down in the ARHM (Association of Retirement Housing Managers) Code of Practice
- Membership of the Leasehold Network, part of the Housing Quality Network. This includes member briefings and sharing of best practice between member organisations
- Advice guides and other resources available from the Leasehold Advisory Service (or LEASE); a government funded service providing independent advice on residential leasehold
- Monitoring what's happening in the courts through case law. Leasehold Management can be complex and best practice is often determined through disputes in the courts or tribunals; particularly in relation to reasonableness of service charges and high charges for major works.

Examples of how we have changed our approach as a result of the above include:

- Using LEASE advice guides for our consultation notices in relation to major works
- Our approach to fire safety, including non-compliant front doors
- Responding to complaints and disputes.

But above all, we ensure it's engrained in everything we do.

An example of a 'best practice' topic, which has been the source of discussion at our Forums and in the industry generally, relates to the advice purchasers receive from their solicitors or advisors prior to buying. A useful guide has been published by the government on 'How to Lease' which is available online at www.gov.uk/government/publications/how-to-lease. While mainly aimed at potential homebuyers, it may also be of interest to anyone who owns a leasehold property.

The forum has agreed some new wording with our conveyancing team which will be provided to prospective buyers to help ensure that they get the best out of their own solicitor. They also recommended signposting to the new government publication as well as the 'Homeowners handbook' available on our website www.sanctuary-housing.co.uk.

The more recent forum meeting focused on:

- How we ensure our repairs customer service team is aware of the different maintenance responsibilities of homeowners; and
- How we ensure a democratic process; for example, if changing a gardening specification, how we know that it reflects the wishes of all residents.

At the next meeting, the forum will be discussing the repairs service; in particular how the framework agreements we have with contractors have been performing, and our approach going forward.

More information on these topics will be included in our next edition of In Touch.

If you would like to join the forum or attend a meeting, please contact david.moss@sanctuary-housing.co.uk. The forum is designed to help shape services at a national level rather than for the discussion of issues at an individual scheme or neighbourhood.

Who is responsible for repairs to my home?

Your lease will tell you whether it is you or Sanctuary who is responsible for any repairs to your home.

If you live in a flat, we are likely to be responsible for the structure of the building and any communal areas – for example; the roof, guttering, stairwells and lifts – but you should check your lease for specific details.

If you have an emergency repair, please call us on **0800 916 1525 (0300 123 3561** from a mobile).

An emergency repair is something that needs to be fixed straightaway, such as:

- A gas leak or dangerous electrical fault
- Major damage to the structure of your home
- A serious security problem, such as a front door that cannot be locked
- The loss of essential services, such as water or electricity.

If you live in a house, you are likely to have full responsibility for any repairs to your property including all external and structural parts of building – but you should check your lease in any case.

Most buildings and contents insurance policies generally cover financial loss caused by storm damage. You should check with your insurance company for the level of cover provided by your chosen insurance policy.



Is your mortgage on your mind?

According to an industry review by the Financial Conduct Authority (FCA) in 2013, an estimated 81,400 interest-only mortgages will be maturing during 2019, meaning many homeowners face the prospect of repaying their original loan in full.

With an interest-only mortgage, you only pay the interest on the loan each month. The size of your debt stays the same over your entire mortgage term, then you repay in one lump sum when the term ends. This is different to a repayment mortgage, where you pay back both interest and capital each month, so by the end of the term you've repaid what you borrowed.

Checking your mortgage type

If you're uncertain about which type of mortgage you hold, it's always worth checking, even if the end of your mortgage term is still a number of years away. The quickest way to check this is to read your original mortgage paperwork issued when you bought your property or check the annual mortgage statement from your mortgage provider. However, it's likely that if you do have an interest-only mortgage expiring within the next few years, they should have already written to you.

Why is there concern about interest-only mortgages?

Interest-only mortgages were popular when house prices were steadily rising prior to the 2008 credit crunch. In recent years, concerns have been raised that some people may have taken out these loans with no means in place to pay them back and in some cases didn't perhaps fully understand how these deals worked.

An interest-only mortgage requires you to pay back the full amount that you've borrowed in one lump sum at the end of the term. This means if you don't have sufficient plans in place to cover this, such as savings, investments or assets, you could be at risk of losing your home if you are unable to pay.

Your next steps

If you have an interest-only mortgage and are concerned about how you are going to address this at the end of your loan term, it's important to seek advice as early as possible – even if it isn't due to expire in the near future.

In the first instance, you should seek independent financial advice from a FCA registered mortgage adviser. If you do not have one, you can find more information on finding one by visiting www.moneyadviceservice.org.uk or call **0800 138 7777**.

Scheme accounts and service charges

If you pay a service charge, you may have already received a service charge budget review letter for the year 2019/20.

This letter outlines your service charges for the year commencing 1 April 2019. If you also pay rent, this will also be included in the letter but may not have changed. Rents and Service charges may be reviewed at different times of the year, depending on your lease.

What does this mean?

A service charge budget is an estimate of the anticipated costs of providing services to your scheme or property during the coming year. Where we don't have actual costs, we will estimate what costs are likely to be based on previous year's expenditure, inflation and any known factors such as major works. However, it is not an exact science and the actual costs may differ to those we have estimated. We'll tell you about the actual costs through the end of year service charge accounts process, and any underspend (surplus) or overspend (deficit) will be dealt with in accordance with the terms of your lease or transfer document.

Where the service provision may change throughout the year; for example, a change in the grounds maintenance contract, we would not usually adjust the budget, unless the change in cost is significant.

Letter delays

Unfortunately, some service charge letters were sent later than usual this year and we are sorry for any inconvenience this may have caused. The delay was caused by some necessary changes to our computer systems earlier in the year which had an unanticipated impact on producing letters. We are looking into this as a priority to ensure it doesn't happen in future. We understand that if your letter was late, this may have caused your account to show as being in arrears. If this affects you, our Income team will work with you to bring it up to date over a reasonable period of time.

Direct Debits

We've also experienced some issues in relation to updating existing Direct Debits to reflect the rent and service charge increases and apologise if this has had an impact on you. If your account has fallen into arrears due to this, we will work with you to agree revised payment terms to bring your account back into line within a reasonable timescale.

If you are experiencing issues as a result of the Direct Debit or Service Charge letter delays and need assistance, please contact the Central Income Team on **0800 917 0012** or **0300 123 0012** or via e-mail **homeownership@sanctuary-housing.co.uk**.



Would you like to own more of your home?



Staircasing is the process where shared owners can increase the share of the property they own. This is completed in tranches, with a tranche being the portioned percentage that you can increase your share by. The permitted tranches will usually be detailed in your lease.

In some cases, you can increase your share to 100%. If you own a house, this may also mean you can acquire the freehold. Details of the maximum share you can purchase will also be detailed in your lease.

The greater the share you buy in your home, the less rent you will have to pay. If the details in your lease allow you to staircase to 100%, you will become an outright owner and will no longer have to pay rent, although you may still need to pay service charges.

We strongly recommend that you seek professional legal advice prior to staircasing and that you instruct a solicitor to act on your behalf.

What is the process for staircasing?

1. Contact the Conveyancing team by sending an email to conveyancing@sanctuary-housing.co.uk to let us know of your intention to staircase
2. We will send you the procedure along with the valuation form within 10 working days
3. You will need to send the completed valuation form back to us with the valuation fee
4. We then instruct the valuer
5. The valuer will contact you directly to arrange a valuation
6. We receive the valuation report from the valuer
7. We will send you a copy of the valuation report and confirm the price of the share you wish to purchase
8. If you're happy to proceed, you need to confirm your intention to proceed in writing (email is acceptable) and confirm your solicitor's details
9. On receiving your confirmation, we will instruct the solicitors involved to begin the legal work required to complete the purchase.

If you're interested in staircasing or would like more information, please contact us on **0800 916 1444** or email conveyancing@sanctuary-housing.co.uk

Local Stories



Residents' wish granted for communal lounge transformation

Residents at Maxted Court, a leasehold retirement scheme in Herne Bay, are delighted with the recent transformation of their communal lounge, thanks to a generous lottery grant.

Members of the Residents' Association submitted a successful application to the Big Lottery Fund for a much-needed room makeover and were awarded £6,708 to buy new furnishings including armchairs, stackable chairs, a bookcase, sideboard, curtains, cushions and multi-functional tables.

To celebrate the completed revamp, which was carried out by Sanctuary, residents raised a glass of fizz with family, friends and local dignitaries including the Lord Mayor of Canterbury. Guests admired the new colour scheme, comprising relaxing blues and greys, as well as a painting of the seaside, which was given as a kind gesture by local furniture shop Busy B's.

Due to the improved surroundings, the hub is now thriving with activity. Attendance at the coffee mornings has risen from just a couple of people to 14 and residents are enjoying regular fish and chip dinners together. Members of the community have attended quiz nights, bingo, a strawberry tea and even tai chi classes at the scheme.

Deborah Brown, Sanctuary's Homeownership Officer, said: "Everybody who enters the new lounge is amazed and our residents are spending much more time in there, it has really brought them together."

Marian Miller, secretary of the Residents' Association, added: "It's a peaceful place to live. People want to move here and our friends are moving in soon. We are really happy living here."

Big number celebrations for Suffolk residents

A Suffolk scheme has been host to not one, but two 'big number' celebrations recently. Hedy and Tom Bungey, who live at The Orchard in Brandon, recently celebrated their platinum 70th wedding anniversary, while Hedy also marked her 90th birthday. The couple celebrated with a lunch party organised by their daughter Julia in the communal lounge. Many of the scheme's residents attended and Tom is also looking forward to his 99th birthday later this year. Congratulations to you both!



How to contact us

Homeownership Team

☎ 0800 916 1444 or 0300 123 3516

✉ homeownership@sanctuary-housing.co.uk

Repairs

☎ 0800 916 1525 or 0300 123 3561

Lines are open 24/7

✉ cscrequests@sanctuary-housing.co.uk

Do you have a story for intouch?

If you have a story to tell or an idea about something you'd like to see included in future issues of In Touch, please do let us know. We love hearing from you.

Email: housing.communications@sanctuary-housing.co.uk or let the Homeownership Team know on the number above.