

## **What is a Community Benefit Society?**

A Community Benefit Society (CBS) is a type of not for profit organisation. It is registered with the Financial Conduct Authority (FCA) with the specific intention that it must benefit the community. A CBS is a legal structure which contains many of the same features as our existing structure but is simpler. CBSs used to be known as 'Industrial and Provident Societies' and are well established in many sectors and most housing associations are CBSs, because of the nature of the work they carry out.

## **Why am I being asked about SARH becoming a Community Benefit Society?**

We have an obligation to inform you of certain matters and give you the opportunity to make your views known. SARH is aiming to convert to a charitable community benefit society, but this will only go ahead after we have received your views and SARH Board has considered these and all other issues.

## **Why change to a Community Benefit Society?**

The Government is removing a number of regulatory requirements made of social landlords, like SARH. A knock on effect of this change is that charitable companies like SARH will fall into a more complicated regulatory regime when compared to other housing providers. Many other housing organisations are converting to Community Benefit Societies too – it is happening across the social housing sector as landlords try to increase value for money, and protect funding for housing services and providing new homes.

## **Will SARH still be regulated as a Community Benefit Society?**

Yes, as a Community Benefit Society SARH will continue to be registered with and regulated by the Regulator of Social Housing (RSH). Although SARH will remain a charitable organisation and will still be required to comply with charity law, we will be an 'Exempt Charity' which means that we still have the benefit of the same business flexibilities which are available to the majority of housing associations.

## **What is the main advantage of becoming a Community Benefit Society?**

The conversion would mean that SARH would avoid facing a more complicated regulatory regime and the administrative burden that would come with this. Converting to a community benefit society would allow SARH to be in a comparable

position to other housing associations. It would mean that resources, which would otherwise have been spent on the extra administration, can be reinvested into our homes and increase value for money.

**Will the move to become a Community Benefit Society affect me as a customer?**

The simple answer is that there will be no real impact to our customers. There would be no changes to the type of services we offer as a result of this proposal, and it will still be SARH who delivers these services. Neither would this proposal affect your rent, or any services charges that you may pay.

**Will the move to become a Community Benefit Society lead to an increase in my rent?**

SARH will remain as a housing provider, registered with the RSH. As such SARH will continue to comply with the RSH's standards and government guidance when it comes to setting your rent. None of your rights as a customer will change as these are protected in law.

**How will becoming a Community Benefit Society impact customer involvement?**

This change will have no bearing on opportunities for customer involvement. We welcome your valuable input and are always looking for customers to get involved with the work we do here at SARH.

**Does changing the charity status of SARH to a Community Benefit Society mean you will no longer house and provide services for people in need?**

Since SARH was formed in 2006, we have always shown a commitment to provide housing for those in genuine need, and this would not change after conversion to CBS status. Our values remain the same, and we hope that converting to a CBS would better protect the work we do in our neighbourhoods.