



# Help to Buy: the ISA for first-time buyers

With the housing market booming, many first-time buyers need a helping hand to get them onto the property ladder. The Government's new Help to Buy ISA, which launches on 1 December 2015, aims to meet this need by offering first-time buyers unique incentives when saving for their first home.

The Help to Buy ISA will enable first-time buyers to save up to £200 per month, with an opportunity to deposit an additional £1,000 when the account is first opened.

The Government will then provide a 25% bonus on the total amount saved, including interest, capped at a maximum of £3,000 on savings of £12,000, which is tax-free. The bonus can only be put towards a first home located in the UK with a purchase value of £250,000 or less, or up to £450,000 in London.

It is intended that opening a Help to Buy ISA will be as simple as opening a regular ISA, with interest rates set by the bank or building society an individual decides to save with. They will also be free to apply their normal ISA withdrawal and transfer rules, thus ensuring that savers can move between providers to get the best deal.

However, care needs to be taken as an individual may only subscribe to one Cash ISA per year, so an account holder cannot subscribe to a Help to Buy ISA and a Cash ISA in the same tax year. Additionally a first-time buyer can only have one Help to Buy ISA.

Savers will be able to apply for and open a Help to Buy ISA up to four years after the scheme is officially launched. Once an account is opened there is no limit on how long an individual can save into it and no time limit on when they can claim their bonus.



To get the most out of the Help to Buy ISA, individuals should:

- Contribute the monthly maximum saving of £200
- Deposit an additional £1,000 when opening the account
- Remember that the account can remain open for as long as it takes to find a qualifying home.



Those saving with a partner to buy their first home together should ensure they both have a Help to Buy ISA, thus doubling both the amount they can save and the bonus available.

Note that savings from the Help to Buy ISA can only be used towards the purchase of a first home, so would not be available for buy-to-let properties. A scheme administrator will enforce this rule.

We can advise on a range of property taxation matters – please contact us for assistance.

## A five step plan for dealing with negative reviews



**Bad online product reviews or public complaints on social media can seriously affect your business. Here are some tips for minimising the damage and perhaps even turning negative feedback to your advantage.**

The way that social media and online commerce have made it so easy for customers to provide feedback is something of a double-edged sword for businesses. Great testimonials can do more for your reputation than any number of advertisements, while word-of-mouth recommendations can spread much faster thanks to social media. But negative feedback can be hugely expensive, and you don't have to be 'on' social media or selling things online to be affected.

Two of the key problem areas are:

**Bad reviews** – Amazon, Google+, TripAdvisor and many other platforms allow customers to give detailed reviews of all kinds of products and services. These are increasingly important; reviews are a major factor for potential customers when making a purchase decision. A series of 'one-star' or highly critical reports is guaranteed to put some people off buying.

**Social media complaints** – Twitter and Facebook enable users to 'tag' you when saying something critical about your business, which means that anyone else

looking for you on those platforms could potentially see it.

However, a sensible approach can minimise the damage to your reputation and even work to your advantage.

### A five step plan

**1 Act quickly.** Keep track of your reviews on key websites and mentions on social media and when a complaint comes up, act quickly. If it's a specific gripe from a dissatisfied customer, thank them and tell them you're working on it even if you haven't yet decided on the best solution. Provide a realistic timescale for when you'll come back to them – and avoid conveying the sense that their views aren't important to you.

**2 Assess the value of the feedback.** Resist the temptation to object to bad reviews or argue back. Instead, try to honestly evaluate the feedback. Even in the most intemperate review a valid problem may have been highlighted, and you can use that to improve your service.

**3 Be upfront, admit mistakes and respond personally.** On social media, a straightforward personal message promising to resolve the issue will disarm most unhappy customers.

**4 Fix the problem.** Don't just respond to complaints with an apology; try to resolve problems as quickly as possible. Ask for their details and contact them personally.

### 5 Be generous with recompense.

Sometimes, a customer just needs to let off steam and there's nothing you can actually do to resolve their problem – in which case it's usually best just to be courteous and offer some sort of recompense. If you're surprisingly generous with this you'll often turn the complainer into a happy, repeat customer and even an advocate for your business.

### Prevention is better than cure

Occasional bad reviews are virtually inevitable, however good you are at your business, but there are some simple preventative things you can do. Make sure you have transparent procedures and visible contact details for people to make complaints directly to you. You could also make it a habit to ask happy customers to give you online reviews soon after their transaction: a large number of positive reviews will minimise the damage of a few bad ones.

**The best methods of dealing with bad feedback – valuing the customer and responding quickly – are the same as they've ever been. Along with the risks come opportunities to enhance your reputation: exceed expectations and the word will quickly spread far and wide.**