

# TENANT MANAGEMENT In the North East

In the first of a series of articles looking at the TMO scene round the regions. Paul Bayman reviews tenant management in the North East of England

With just over 1,000 TMO-managed homes, the North East can't claim it's the nation's Tenant Management hotbed, but its eight TMOs are a very varied group. Some pre-date the Right to Manage, there are co-ops managing housing associations' as well as council stock, and there are TMOs affected by stock transfer.

Rossmere Tenant Management Co-op in Hartlepool began in 1994. It is responsible for allocations and repairs to 35 flats modernised in the mid-90's that will soon transfer to Housing Hartlepool, the town's new RSL. Treasurer Anne Carter comments, "The first thing I asked about stock transfer was, would the Co-op continue? It will, which is great, because there's been no hiccups at all really in the years we've been going".

Over at Spencerbeck near Middlesbrough, Alderwood Co-op, the region's smallest TMO, has been running since 1990, its property transferring from Redcar & Cleveland Council to Coast & Country Housing last year. It never added to its original stock of just 20 properties and the Right to Buy ate into its holding on what has become a very popular part of the estate. Co-op member Sue Shaw's experience is typical, "I moved here from a part of the estate I hated, but I wanted to stay in the area. When I moved in it was fantastic. The Co-op's worked really well but with right to buys up to nearly half of the property, it may not last much longer". Coast & Country Housing is landlord of the region's biggest TMO too, the South Bank Estate Management Board, which has been managing nearly 500 properties using seconded staff since the late 1980's.

A group set up to manage housing association property is Norton Co-op in Stockton. With 50 properties built by Endeavour Housing Association in 1996 during the old Blue Hall estate's re-vamp, it can offer its members flats, bungalows or houses. Treasurer Don Laws explains, "We've had management responsibility since 1998 but only do allocations and the social side of things. We thought about taking on repairs, but decided not to, as that was enough for us to be able to build up our co-op community". The Co-op maintains an



SMART TMO celebrate their ballot result

active seven-member Board, regularly takes part in conferences and training events, and would like to encourage more links between TMOs.

The region's newest TMO is on St. Martin's estate in Brampton, east of Carlisle. Working first with the City Council under the Right to Manage, negotiations to set up SMART TMO were eventually completed with Carlisle Housing Association, following a stock transfer in December 2002. The Modular Management Agreement has been adapted to the new situation and the TMO took over responsibility for 139 properties in July. Allowances were worked out from the new Housing Association's business plan, with the Association picking up the tab for VAT.

SMART's Secretary Leslie Dalton says, "The secret of our success is concentrating on the issues that are most important for people living here – grounds maintenance, day-to-day repairs and allocations". The TMO has a seconded part-time estate manager, but employs a caretaker/handyman directly. In the words of their Chair, Bill Stewart, "We're all about people looking after people. We've done a lot on the estate since 1993, but the real work starts here".

Three groups complete the picture in the North East. There is the Clasper Village EMB in Gateshead, set up in 1996 to monitor the Council rather than provide services directly to tenants. And back down on Teesside, there are the two Middlesbrough Co-ops at Langridge and Rothbury Road. Running since 1988, Langridge is now updating its policies and replacing its original agreement with one based on the Modular Management Agreement.

Paul Bayman works with various groups in the North of England and can be contacted at BOW Community Projects on 0191-567-9856 or on e-mail at paul@bayman181.fsnet.co.uk

## NFTMO NOW AT WWW.TMONATFED.COM!

The NFTMO now has an excellent new website at [www.tmonatfed.com](http://www.tmonatfed.com). Visit the site and you will find :-

- More about the National Federation
- Useful documents and downloads
- Guidance for those who are new to tenant management
- A free download of this and previous issues of the TMO Magazine
- A profile of current NFTMO projects
- A diary of national training events for TMOs
- Links to other useful websites including TMOonline
- News items
- Details of NFTMO membership and downloadable application form
- A direct link to the NFTMO for your questions and comments



## In the next issue of the TMOs Magazine

TMOs and the Decent Homes Standard • Life in a larger TMO • Tenant Management in the West Midlands • TMOs in the Housing Association Sector • Beyond housing, the wider role of TMOs. • If you have a contribution to make to a future issue please contact [magazine@tmonatfed.com](mailto:magazine@tmonatfed.com) or ring 01704 227053. Deadline for the next issue is Mid December.

# The TMO Magazine



Discussion at recent TMO Benchmarking workshop

# TMOS TO GAIN FROM BENCHMARKING

A successful new approach to benchmarking, developed specifically for Tenant Management, will be available to TMOs throughout the country in the New Year. This follows positive feedback from the group of 14 pilot TMOs who tried out the model this summer as part of a project funded by the Innovation into Action Grant programme.

In the summer issue, we told you about how the NFTMO had teamed up with HouseMark to develop a new 'benchmarking' tool to help TMOs compare and learn from one another. Ross Fraser, the HouseMark Chief Executive is in no doubt about the potential benefits to TMOs. "HouseMark is delighted to have had the opportunity to work with the NFTMO. As the UK's leading benchmarking service we know that TMOs need to develop a way of comparing against each other to address the very specific needs of TMO's. I would like to encourage all TMO's to think about benchmarking and the benefits they could get from comparing their performance and ways of doing things with others."

TMO benchmarking has been designed to give TMOs critical information on their management of housing services and on how well finance and governance issues are managed.

Most of the 14 pilot TMOs, despite initially having concerns about the level of work involved, found the exercise straightforward and requiring only a moderate amount of effort. No TMOs found benchmarking too complex.

Most TMOs said that they found that benchmarking allowed them to compare their performance against others and that the benchmarking exercise helped them focus on their weaknesses and on the areas they needed to improve.

Kim Thompson of Abbey Road Housing Co-op in London says "The Co-op members were a little unsure about the benchmarking exercise to start with; it was difficult for them to see what use it would be. After going through the exercise - as one of the pilot organisations - we can all see how benchmarking has helped us identify areas where we need to improve. I can really say, TMO benchmarking has helped the Co-op change for the better"

The NFTMO and HouseMark now plan to run a series of free regional training workshops with a view to developing the approach and establishing TMO benchmarking clubs around the country. The workshops will start early next year so look out for details in the January issue of this magazine. You can get more information about TMO benchmarking, including free Guidance, by visiting the NFTMO Website at [www.tmonatfed.com](http://www.tmonatfed.com).

## New Management Agreement Available Soon

The Office of the Deputy Prime Minister (ODPM) has just written round to the key stakeholder organisations (including the NFTMO), to update them on the work being done on revising the Modular Management Agreement following the consultation exercise in 2002. ODPM is also asking for people's views on some key policy and practice issues raised by the further revisions before the end of October. Fortunately there have been few changes to the main revisions on which the ODPM originally consulted last

year. However the new Agreement will be much shorter as the appendices have been removed. Much of their content will now appear in separate statutory guidance which ODPM is preparing to accompany the Modular Management Agreement. If you would like to obtain your own copy of the ODPM's letter and the (almost) final revised chapters of the new Agreement please contact Julian Matthews, ODPM Tenant Participation Branch on 020 7944 3488 or E Mail [Julian.Matthews@odpm.gsi.gov.uk](mailto:Julian.Matthews@odpm.gsi.gov.uk)



### INSIDE THIS ISSUE:

- TMOs and ALMOs (Page 2) • Kids come first in Salford TMO (Page 3) • Getting Control of Repairs (Pages 4 & 5) • Can You Help (Page 6)
- Small is beautiful in London (Page 7) • Training Diary (Page 7) • TMOs Not Frozen in the North (Page 8) •

VISIT THE NFTMO WEBSITE AT [WWW.TMONATFED.COM](http://WWW.TMONATFED.COM)

The NFTMO works on behalf of EMBs, Tenant Management Co-ops and all forms of TMO

# A Tale of the ALMO, the TMO and BIG

Linda Helen is the Estate Director of Belle Isle in Leeds. She tells the TMO Magazine how the EMB is being affected by the introduction of an Arms Length Management Organisation for the area.



Linda, tell us something about the Belle Isle EMB Belle Isle North Estate Management Board has been managing about 1500 dwellings since April 1991 with a pre-Right to Manage agreement with Leeds

City Council. The EMB has, like most TMOs, been very successful in improving services to tenants, reducing voids, improving the repairs system and increasing tenant involvement. The Best Value Performance Indicators are all amongst the best in the City. The exception is rent arrears but as the estate is one of the 6 poorest in the city that's perhaps predictable.

## And the EMB is planning to expand ?

Yes, in 1999 the EMB was asked by the Council if they would consider expanding into Belle Isle South to create a larger TMO of approximately 2500 properties. An Options Study was commissioned in order to allow tenants in Belle Isle South to discuss whether they wanted this, and for the EMB Board to discuss how this possible enlargement would affect their successful small

scale management. The decision for both the north and south ends of the estate was to go for one large TMO for Belle Isle which has resulted in the Belle Isle Group (BIG) being set up to serve the Right to Manage notice. The Estate Management Board continues to manage alongside the new development until the final ballot.

## And now the Council has set up an ALMO as well ?

Yes, imagine how confused our tenants feel. Just as the EMB was consulting them about this expansion Leeds City Council decided to set up 6 ALMOs, one of which covers South Leeds and Belle Isle. The Housing Department held a ballot of all tenants, asking if they wanted to be part of the ALMO, in the same month that the Belle Isle Group was sending out a notice of the Right to Manage to its tenants! Tenants were understandably saying "I thought we were having a TMO?" and in Belle Isle North tenants were saying "I thought we already had an EMB – what's happening?" or "Can't you decide what you want us to be in?" The whole thing was bewildering!

## Is it bringing any benefits for the EMB ?

Yes there is a positive side. The EMB and the Belle

Isle Group have never had so much information given to them and so much attention. It is as if someone just noticed we are here and might be helpful in showing the ALMOs what local management looks like. Seriously, the development of the ALMOs has been very beneficial to the Estate Management Board as we have been treated as a '7th ALMO' with properly decentralised budgets and the power to make decisions in a much wider sense than before. We also get much more up to date and relevant information, particularly about what the ALMOs are doing, and send a representative to each of the ALMO sub groups and their Board meetings.

## So what happens now ?

We now have a close working arrangement which will be to our advantage as in the past we were often just overlooked. However, we will still have to be wary of such a large organisation and bureaucracy (Our ALMO, Leeds South Homes, has 13,500 dwellings without Belle Isle) overshadowing the new TMO. Negotiations will be on going as to what information goes to tenants in Belle Isle from the ALMO and what should be avoided. We will certainly need to be clear when it comes to the final ballot next year or tenants will not know what they are voting for!

## OTHER TMO EXPERIENCES WITH ALMOS:-

### Holts comes to terms with ALMO and PFI



Holts Village Estate Management Board in Oldham is busy sorting out the impact of not just an ALMO but also a Private Finance Initiative ( PFI ) promoted by Oldham Council. The estate of around 1000 homes (pictured above) stands in an elevated and isolated location on the edge of the Oldham Borough. Low demand for housing in the area makes for a challenging management task.

Holts are now looking to review their management agreement so as to properly set out the new relationships between the EMB, the ALMO and the Council. At the same time the EMB is responding

to an Oldham PFI scheme to improve hundreds of bungalows in the Borough – including 120 in Holts. Watch this space !

### ALMO joins private housing management contractors and TMOs in Westminster

There are 14 TMOs managing Westminster Council housing in central London. The rest of Westminster's housing stock is managed by private housing contractors. On some estates TMOs share housing management responsibilities with a housing management contractor.

Interestingly the City Council has now also established an ALMO called "City West Homes". The TMOs have representatives on the ALMO Board and one of those reps, Richard Tarling, told the TMO Magazine about one particular effect of the ALMO. " There does seem to be a disadvantage that comes from the ALMO being only concerned with housing" said Richard. " Previously we could meet with the Council and raise issues about non-

housing services such as lighting and environmental services – because the Council had responsibility for those services. Now we find the ALMO can only really deal with housing so it seems to make it harder to resolve problems that involve several different services."

### Oops! No place for TMOs in North West ALMO.

A Council in the North West set up an ALMO without making arrangements in the contract for the continuing support of the TMOs in its area. As a result the TMOs found both the Council and the ALMO reluctant to provide support services to the TMO specified in the management agreements. The lesson from this experience is that TMOs need to make sure that the Council is aware of their particular needs and circumstances from the start. The ALMO's responsibilities to the TMO must be agreed and made clear because once the ALMO is operational the Council itself may be left without enough staff or resources to meet its legal obligations to the TMO.

## WHAT IS AN ALMO?

An Arms Length Management Organisation is a body that is separate to the Council but 'owned' by the Council. Its job is to manage the Council's housing stock and the ALMO is run by a board of Council nominees, independents and some tenant representatives. The Government has provided financial incentives to Councils who set up an ALMO that performs well. The ALMO is normally staffed by the housing officers who, up to that point, worked for the Council.

## NEW BARRACKS CO-OP GETS THE KIDS INVOLVED

Co-op worker Jonathan Dale explains how a co-op in Salford has widened its horizons beyond housing management.

The New Barracks Co-operative from its beginning in 1988 has always believed that it will be a stronger and more popular agent of community development in this tough inner-city area if it involves its members in social activities in addition to its housing work.

So, from its 91 houses, it finds volunteers to run an occasional newsletter, a programme of social activities for the adults, a Street Party or Theme Day each year, and a range of activities for children. These include weekly play sessions, a Summer Playscheme and a Dreamscheme programme – that is a project where the children do useful work for the community, picking up litter, recycling cans, making cards for new members; they get points for the work and can 'spend' the points on trips – swimming, canoeing, wall-climbing, go-karting and the like.

Much of the work is done by volunteers ... but we are increasingly stretched. So this year for the first time we have raised the funding to bring in a Play

Volunteer, on a small living allowance – so we have Natasha Kharikova from Moscow who has helped to increase the Dreamscheme and Play activities and has been building up the bank of volunteers.

We don't want to suggest that such activities cure all our problems even with the Co-operative's children, let alone those who come onto the estate from outside. We still have damage to trees, cheek, graffiti, and much else besides. But we have a lot less of them. The area is much better kept than it would be without the Co-op's care – and part of that care is the effect of parents and children knowing that we don't just moan at them, we provide all sorts of opportunities that they wouldn't otherwise have. Crucially adults know the children and that can lead to respect; and, even where it apparently doesn't lead to respect, children know that they are known and their actions will be reported to their parents.

Now we are embarking on a large programme to make our small park much more attractive to both children and adults, with a greater range of activities beyond the inevitable football. We also have another unused area, where we have been offered the lease and we propose to transform that



into a secure area for toddlers' imaginative play! We shall need £100,000 or so! And some more volunteers! But it will continue to build the community, making it strong enough we hope to both keep the anti-social forces in check and to ensure that, when development sweeps into Ordsall from Manchester's Castlefield and Salford's Quays, the New Barracks Co-operative is ready to secure the benefits for its members.

## Meet The Confederation of Co-operative Housing: CCH Member Nic Bliss introduces an organization with which the NFTMO is developing closer links



Champions of tenant control / the people who've been in there fighting for communities since way before it was fashionable (and after) / or a bunch of hot-heads – (please delete as applicable)

The Confederation of Co-operative Housing (CCH) is the national representative body for co-operative housing in England and Wales. It's a membership organisation which community controlled and other related organisations can join and it is led by a General Council consisting almost entirely of voluntary tenant members of housing co-ops and other community controlled organisations.

The CCH was set up in 1993 and ten years later has a membership of over 180 tenant controlled

organizations. CCH has helped to bring community empowerment and control up the agenda and its contributions include:

- working in partnership with the Housing Corporation on their Communities in Control strategy and producing Taking Control in your Community – a guide for housing association tenants on how they can set up community controlled projects

- pioneering the Community Gateway model – whereby an enabling body is set up which has as a fundamental aim to devolve power to tenants and communities in local areas to the level and at the pace that they want. The Community Gateway is particularly being investigated by a number of local authorities as a means of stock transfer – whereby, rather than transferring to a standard housing association, ownership is transferred to a Community Gateway Association which has a built in commitment to offering tenants and communities opportunities for empowerment. The Community Gateway approach might be particularly relevant for protecting tenant management organisations in stock transfer

- liaising with Government on issues to do with community control. The CCH is recognized by the wider UK co-operative movement as being the representative body for co-operation in housing, which has meant that we have been able to maintain contact with a wider group of politicians than otherwise might have been possible

- carrying out various research projects on

community control – most notably Tenant Control & Social Exclusion – investigating how tenant controlled organisations tackle social exclusion (and generally do it better than others)

- providing advice and support to housing co-ops and tenant management organisations as requested on such as issues as governance issues, business planning, stock transfer etc.

- holding the country's only weekend annual conference arranged by tenants for tenants and generally an opportunity for forward thinking discussion mixed with copious quantities of beverages from the bar

The CCH and the National Federation of TMOs are sister organisations affiliated to each other. The Chair of the National Federation is a member of the CCH's governing body and the CCH has a representative on NFTMO's management committee. Blaise Lambert, the CCH's Chair, said "We welcome the emergence of the National Federation of TMOs. We hope our two organisations will work in close partnership to ensure that the needs of tenants and TMOs are met and so that we can present a united tenant control front to Government and elsewhere."

For further details, please contact:  
The Confederation of Co-operative Housing  
The Bond Warehouse, 180-182 Fazeley Street,  
Digbeth, Birmingham B5 5SE 0121 449 9588  
info@cch.coop

# Estate Management Boards Step Up to Get Value for Money

The division of responsibilities between a TMO and the landlord is often the focus of debate within the tenants' group. Do we take more control to improve things or have we already taken on more than we can handle ?

The TMO's relationship with its staff and contractors affects the quality of service that the organisation can provide. New TMOs must decide how they want that relationship to be set up. Should we employ staff direct or use seconded staff who are employed by the landlord ? Should we let our own contracts or oversee contracts entered into by the Council or Housing Association ?

In this feature we find out about two longstanding TMOs who recently stepped up their level of responsibility with positive results.

## EMB STARTS CALLING THE TUNE ON REPAIRS

The old saying "he who pays the piper calls the tune" has proved true at the Beechwood and Ballantyne estate in Birkenhead. Now that the Estate Management Board (EMB) hold the estate repairs budget in their own bank account their control over the service has been transformed.

The EMB has been managing their estate of 1300 houses and flats since 1995. Under a management agreement with Wirral Borough Council the Board took responsibility for maintenance but the Council continued to hold the money allocated to the Beechwood and Ballantyne repairs budget. " The theory was that the Council would pay for repairs when authorised to do so by us " explains the EMB Chairperson Tony Cox, " but the reality was often different. In fact the Council's direct labour contractor was paid for most jobs automatically regardless of the Board's views. We then had a devil of a job getting money refunded for jobs that were faulty or overcharged."

The EMB was also worried about the limited time that seconded estate staff had to check invoices and inspect repairs. So they employed their own part-time repairs consultant to do extra inspections. " The savings we made as a result of him checking and querying invoices more than paid his wages ! " Tony recalls with a smile.

But the crunch for the EMB came two years ago when the Council announced a plan to centralise the Borough's repairs service. This plan included the removal of local repairs inspectors and the establishment of a central call centre for repairs reporting. " The changes were made in the name of Best Value but from Beechwood's point of view it would have had the opposite effect, " says Tony " So we exercised our right to take more direct responsibility for the repairs budget, and negotiated changes to our management agreement."

The EMB now holds the repairs funds in its own bank account and pays contractors, including the Council's Construction Services organisation, only when jobs have been checked by the EMB's inspector. The Board has



its own accountant and an independent repairs accounting system. They have also been able to retain their local repairs team and remain the only estate in the Borough with a fast response "man in a van " service.

EMB Secretary Len Fleming is delighted with the new arrangements. " We now get better performance and value for money from our contractors. " says Len " We withhold money when necessary but we pay quickly when a job is complete and that earns us a good reputation with private firms. Our own records also give us more accurate information about what we are spending on repairs from week to week. "

Tony recalls how a private contractor had tried to overcharge the EMB for some groundwork on the estate, claiming to have used several extra tons of ballast to fill a hole. " He forgot that we have many inspectors on the estate – they are called tenants. " he laughs " People who overlooked the site told us the claim was false and so we avoided being overcharged ! "

The EMB is now keen to develop local control still further. While Wirral Council consults on a proposed large-scale voluntary transfer the EMB is exploring the feasibility of an estate based transfer to their own tenant led RSL.

## BLOOMSBURY'S LONG ROAD TO DIRECT CONTROL

If you want to find a TMO where the pros and cons of directly employing staff and contractors have been well debated – look no further than the Bloomsbury estate in central Birmingham. The Bloomsbury Estate Management Board ( EMB ) now employs 33 staff including its own housing officers and repairs team – but it was not always so.

It was in 1990 that the EMB began to manage their estate of high-rise flats, maisonettes and a sprinkling of houses. A large estate of 1000 homes but only a tiny fraction of Birmingham Council's total housing stock. The EMB had an estate office run by seconded Council housing staff, while repairs were done by the Council's Building Services Division.

In 1994 the Right to Manage legislation changed the thinking at Bloomsbury. Chair Roy Read recalls " Up to then we had to accept what powers the Council was willing to give us. After 94 we had a Right to extend those powers if we wished. " Bloomsbury took the opportunity to review their management agreement and decided that the EMB could improve services by taking more control over staff and contractors.

The Board Vice Chair Mark Lolley remembers the frustrations. " We had some good staff seconded to us but the Council's interference often confused their accountability. Like the time the City took away our repairs inspector without asking us and the Council's insistence that we use their relet procedure when the Board could see it wasn't working here.

It took four long years to negotiate a new management agreement but once it was signed in November 2000 the EMB could begin recruiting its own staff.

" The Council staff in our office who did not want to be employed by the EMB had the option to go to other jobs in the City " Roy explains. " Some opted out because of concerns about job descriptions and security. Those who chose to stay with us have mostly adapted well alongside new staff recruited from outside the Council "

Since the change the EMB reports improved performance in housing management and rent

arrears recovery. The lettings policy is now more flexible and the average turnaround time for a relet is 4 weeks – compared with 12 weeks for Council managed homes in the neighbourhood.

The switch to a directly employed maintenance team has had dramatic financial benefits for the estate. Mark Lolley recalls how, when the Council's Building Services lost the main repairs contract, the EMB was left out of discussions with the winning contractor. " We eventually discovered that the new contract would have cost us an extra £750,000 over 5



years, but we were to get no increase in allowances ! "

The EMB refused to sign the new contract. Instead, after discussions with the Unions, the local council workforce was employed directly by the Board. The Bloomsbury repairs team is now twice as productive as the Birmingham average for that area.

Is there a downside ? Roy and Mark admit that employing a staff of 33 is an extra commitment for volunteer committee members. " But we get good support from the Council's personnel section. " adds Roy " We have had one or two disciplinary issues overall its another step in the right direction "

Bloomsbury do not rest on their laurels. They recently created a Resident Services Organisation and awarded it a major cleaning contract to help create jobs and training opportunities for local people.



## SECONDMENT GUIDANCE AVAILABLE

'Secondment' of staff refers to arrangements where a TMO 'borrows' staff from another organisation. This will often be the landlord - the Council or housing association. In those cases seconded staff are employed by the landlord but are accountable to the TMO. This option often appeals to TMOs who do not want to take the full responsibility of employing their own staff.

New TMOs were not allowed to second staff after the Right to Manage was introduced in 1994 but the option was reinstated by this Government subject to the secondment arrangements meeting certain standards. Detailed Government guidance is available for TMOs who are thinking about seconding staff or who want to improve an existing secondment arrangement. That Guidance is available from the NFTMO website at [www.tmonatfed.com](http://www.tmonatfed.com).

# CAN YOU HELP?

Does your group have experience that could help the TMOs who, in this regular feature, share a problem. If you can help you can contact the groups direct or via the NFTMO. If your TMO has a problem it wants to share in our next issue please contact the editor.

## TRAINING IDEAS WHEN TIME IS SHORT ?

We all recognize the importance of continuing training for TMO committees but training opportunities can appear limited for members who have demanding jobs or very heavy family commitments. Do other TMOs have any ideas or experience of training programmes that are accessible and attractive to members who have to fit their voluntary work with the TMO into very restricted time slots in the week ? If so we would like to hear from you.

Kim Thompson,  
Abbey Road Housing Co-op,  
Camden, London

## TMOs and CHOICE BASED LETTINGS ?

Our local authority has introduced a pilot 'choice based' lettings scheme whereby applicants register their interest in a particular vacant property. The interested applicant with the most waiting list points is then offered that tenancy.

Under our Management Agreement the Council had been required to give the TMO a list of four applicants who would qualify for

an offer and the TMO made the allocation from that list of four. We could then make an informed and careful letting that would be in the best interests of the applicants and the TMO community. The choice based lettings scheme leaves the TMO with no role in allocations.

Due to the structure of the pilot scheme Charfield Court was the only T.M.O. affected. However, once 'choice based letting' is rolled out nationally all T.M.O.s will be confronted by this allocations anomaly.

We are now in discussion with our Council about how we can adapt the 'choice based' scheme so that the TMO can retain some control over lettings. Have other TMOs had experience of this problem and how have you resolved it ?

Richard Tarling  
Charfield Court TMO, Westminster, London

## A RESPONSE TO TAX QUERY IN LAST ISSUE

Dear TMO Magazine

I read with interest the piece under "Can you help?" about Wisewood Estate Management Board being charged to tax on its surpluses. The guidance that my firm is using states

that the January 1996 version of the Inland Revenue's own Company Taxation Manual includes the following :

"In general the management of a co-operative activity does not amount to the carrying on of a trade. This is because the agreement between a management co-operative and a local authority usually provides that the local authority re-imburses the co-operative's expenses. Although a surplus may arise in any given accounting period, this is likely to be the result of timing differences rather than a genuine profit from trading activities."

Gotham Erskine audits a large number of tenant management co-operatives and TMO's and we have never had any difficulty persuading the Revenue that they should not be taxed on surpluses (as opposed to investment income, which is invariably taxed). While in practice it is probably stretching a point to say that the agreement provides for the local authority to re-imburse expenses (normally the local authority provides allowances) this has not proved a problem.

Yours sincerely

Simon Erskine  
Gotham Erskine,  
Chartered Accountants, London

In the next issue of the TMO Magazine we will look at the special opportunities that come with being one of the larger TMOs. First we see why for some TMOs small is definitely beautiful!

## "More like a family than a Co-op" at Tanner House

Walk south across Tower Bridge in London and within 5 minutes you reach Tanner Street where you will find one of the smallest TMOs in the country. The Tanner House Co-op manages just 25 flats and maisonettes in one low-rise block owned by Southwark Council.

Maureen Simpson is the chairperson and driving force of the Co-op that she thinks of as more a large family than a small TMO. "Being small means that we all know each other and people are generally good neighbours " Maureen explains from behind a desk in the co-op office that is a converted corner shop.

Tanner House was built in 1934 in the heart of the South London docklands although the neighbourhood is now one where art galleries and café bars abound. In such a rapidly changing environment it is a credit to the co-op that theirs is a settled and stable community. " We very rarely have vacancies because people don't want to leave" says Maureen.

The Co-op has been managing the block for nearly

10 years and in a recent ballot all but one of the tenants voted to continue the management agreement. The Co-op is responsible for rents, lettings and all repairs ( except structural ). They only use building contractors when the job is too big to do themselves. As a result the Co-op has made savings that have been used to pay for improvements including central heating, double-glazing and new front doors. "We have also been able to afford an entryphone system for the upstairs flats and a covered walkway on the top balcony " adds Maureen proudly.

Tanner House Co-op is a mix of age groups and races but has a strong sense of belonging strengthened by social events like summer parties round the barbecue, built for the Co-op by a Housing Association who are developing the site next door.

It is clear that Maureen's leadership and hard work are a big factor in the Co-op's success but she is quick to point out that everybody plays their part. " We have an eighty-nine year old tenant who still does his share of cleaning in the block ! " That is



not to say that the senior tenants in Tanner House do not get the care and attention that is due to them. The Co-op volunteers provide domestic care for one lady tenant who is determined to see out her days at home in Tanner House. " That's what she wants so we have promised her the Co-op's care as long as she needs it " explains Maureen.

Maureen admits that she has no great interest in the wider activities of Southwark Council ( or the NFTMO for that matter ! ) and prefers to devote her time and energy to making Tanner House a good place to live. Looking around you can't help feeling that her approach is working just fine.

## Training Diary : November 2003 to January 2004

Training is essential to the long term health of your TMO. Here is just a sample of training opportunities that are coming up soon. If you want to advertise events in future issues of the TMO Magazine then E Mail details to [magazine@tmonatfed.com](mailto:magazine@tmonatfed.com)

COURSE / EVENT	DATE	VENUE	CONTACT
Major repairs and Improvements	31 Oct – 2 Nov	Bath	PEP
Fundraising Strategy	3-5 November	Chester	Trafford Hall
Preventing conflict in your community	7-9 November	Southampton	PEP
Resolving conflict	6 November	Birmingham	TPAS
Running a community meeting place	10-12 November	Chester	Trafford Hall
Project management skills for residents	14-16 November	London	PEP
Allocations and lettings	21-23 November	Peterborough	PEP
Developing RMOs in Housing Associations	24-26 November	Chester	Trafford Hall
Being a better chair	26 November	Birmingham	TPAS
Chairing skills one step further	27 November	Birmingham	TPAS
Getting the best from your estate services	28-30 November	Nottingham	PEP
Tackling the problem of low demand housing	1-2 December	Chester	Trafford Hall
Setting up a resource centre	1-2 December	Liverpool	TPAS
Transforming everyday conflict	3-5 December	Chester	Trafford Hall
Training skills	5-7 December	Manchester	PEP
A Fresh Approach to Working with your Community	9-11 January	London	PEP
Mediation Skills	16-18 January	Brighton	PEP
Good Neighbours	19-21 January	Chester	Trafford Hall
Employing and Managing Staff	23-25 January	Reading	PEP
Producing Community Newsletters	26-28 January	Chester	Trafford Hall

Contacts : PEP , Sandra Young 020 7281 3178 ; TPAS , Debbie Lucas 0161 868 3500 ; Trafford Hall , Natalie Bradbury 01244 300246

## WEB WONDERS! More recommended Web Sites for TMOs.

In each issue of the TMO Magazine we publish details of Web Sites that will be useful to TMOs. If you want to recommend or review a site please send details to us at [magazine@tmonatfed.com](mailto:magazine@tmonatfed.com):-

### Tackling Issues of Race

RaceActionNet is a website that brings together experience in tackling racial harassment and racist attacks and is widely recommended for use by housing organisations with housing management responsibilities. It includes good practice,

legal guidance, toolkits, and provides links with a network of relevant and useful organisations around the country. The bad news is that to use the site TMOs must pay a fee . The good news is that there is an ODPM bursary scheme for tenants groups who want to be members. An application form for help with the fee is available on the site which can be visited at [www.raceactionnet.co.uk](http://www.raceactionnet.co.uk)

### Joseph Rowntree Foundation – Learn from their research !

The Joseph Rowntree Foundation is one of

the largest social policy research and development charities in the UK. It spends about £7 million a year on a research and development programme that sets out to understand the causes of social difficulties and find ways of overcoming them. The website includes summary Findings from hundreds of research projects covering many topics that are of interest and importance to TMOs. If your TMO is aiming to tackle a social or community issue there is a good chance that the JRF site has the results of relevant research projects. The website can be found at [www.jrf.org.uk](http://www.jrf.org.uk)

## STOP PRESS - TMO SUMMIT PLANNED FOR MAY

The National Federation is planning a unique weekend event for TMOs from around the country. It is expected to be the biggest ever gathering of TMOs and will take place in May next year. All TMOs will be notified before Christmas of the proposed date and venue. You have been warned !