



Office of the  
Deputy Prime Minister  

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Creating sustainable communities

# information sheet

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## Tenant Management Co-operatives

# TENANT MANAGEMENT CO-OPERATIVES

## Introduction

Social housing tenants have been taking control of some aspects of the management of their homes for over 20 years.

When tenants take over management of their homes they form a tenant management organisation (TMO), which can either be a Tenant Management Co-operative (TMC) or an Estate Management Board (EMB). This Information Sheet provides a brief overview of TMCS. Information on EMBs can be found in the TPAS Information Sheet on EMBs.

## What is a tenant management co-op (TMC)?

A TMC is a group of tenants who taken over some of the housing management functions for the houses or flats where they live. To take on this role, the tenants will have formed a 'co-op', which is a legally registered body, and entered into a 'management agreement' with their landlord (either a local authority or housing association).

A TMC is run using co-operative principles, which means that:

- All tenants are eligible to become members.
- Tenants become members by buying a £1 share in the co-op.
- Once they have joined the co-op, each member has one vote and an equal say in the running of the co-op.

- Members elect the co-op's committee at an Annual General Meeting (AGM).
- Major decisions are dealt with at open meetings after consulting all members of the co-op.

The TMC itself does not own the properties, but acts as a managing agent for the landlord. The homes are still owned by the council or housing association and rents are still paid to them. The tenants also keep the same rights, in full, as any of their landlord's other tenants, for example the Right to Buy.

If your group is thinking of setting up a TMC and you are talking to your landlord about it, make sure you keep all tenants fully informed from the outset. It is important to avoid any possible feeling that a small clique is running things.

## How does a TMC differ from an Estate Management Board (EMB)?

The basic difference between an EMB and TMC is that tenants of TMCs are in full control of the organisation. Only tenants can be voting members of a TMC and all committee members are elected by the membership. Within an EMB, the local authority or housing association can nominate representatives to the committee who, although in a minority, have full voting rights.

Tenants of a TMC can choose to have non-voting members on their committee, usually from the local authority or housing association, who can act as advisors to the organisation.

All TMC members have a vote on major decisions at regular open meetings. Within an EMB, all tenants usually vote once a year to elect their committee members.

## Is a TMC's role the same as an EMBs?

Yes! A TMC:

- Works under a management agreement with the local authority and within an agreed budget.
- Does not receive rents itself.
- Gives tenants the same rights as under the landlord.
- Carries out much the same duties as an EMB. The functions and jobs the co-op will take on are mutually agreed between the tenants and the landlord, as well as how much money the co-op will need.

Some of the functions a co-op can take on include:

- Day-to-day repairs and maintenance of the property.
- Selection of new tenants for the co-op, and administration of transfers.
- Improving safety and security on the estate.
- Major building improvements.
- Control of the housing budget.
- Rent collection.
- Negotiating tenancy agreements.

Some TMCs opt to take on just a few of the above functions and some opt to take on all of them.

## Benefits of TMCs

### Control

- Decisions are made by and for the tenants rather than by the landlord.
- Better repair and maintenance services - tenants set the standards.

- Tenants don't have to buy their home to have more control over what happens.

### Community Spirit

- By working together, members meet their neighbours, organise social events and build up the local community. There may also be less friction between tenants.

### Less crime and vandalism

- Involvement of the community means that tenants living in homes managed by TMCs usually experience less vandalism.

### Allocations

- Allocations are more sensitive to local needs and TMCs can cater for their members' changing circumstances more effectively than a remote landlord office.

### Preservation of housing stock

- Many TMCs have their own improvement programmes financed from savings gained through tighter budgetary control.

### Lower rent arrears and voids

- The personalised nature of TMCs means that a more sensitive line can be taken on rent arrears, and this has proved much more effective than the way some housing departments operate.

## Points to remember

- TMCs are not a cut-price management option, although they are a cost-effective one. They ensure a high standard of management and maintenance as well as high tenant satisfaction and

give a strong sense of community and collective responsibility.

- TMCs should not be seen as a threat to local authority or housing association jobs. Even though some of the management will be done by the tenants themselves, co-ops still need to procure services and employ workers.
- TMCs are a partnership between landlord and tenant and require support from their landlord to run successfully. They also require a lot of hard work and commitment, especially from tenants.
- TMCs are not a solution to all housing problems (e.g. lack of government money). They operate under the same restrictions on spending as their landlord. However, because of the way they operate it is sometimes possible to make savings that can then be spent on the estate to the benefit of all.
- TMCs are **for all** and must operate strict equal opportunities policies to make sure everyone is treated fairly.

## Further reading

### **Office of the Deputy Prime Minister – Right to Manage Guidance**

The guidance can be accessed at:  
[www.odpm.gov.uk/stellent/groups/odpm\\_control/documents/contentservertemplate/odpm\\_index.hcst?n=1270&l=4](http://www.odpm.gov.uk/stellent/groups/odpm_control/documents/contentservertemplate/odpm_index.hcst?n=1270&l=4)

### **Footsteps for the tango: developing tenant management organisations: a good practice guide for housing associations**, 1995, £12.50

Priority Estates Project, 2 Albert Mews, Albert Road, London N4 3RD  
Tel: 020 7281 0438

**Guide to the right to manage**, 1994, £18.00, The Stationery Office, PO Box 29, Norwich NR3 1GN Tel: 0870 600 5522

### **Learning to manage: a good practice guide to training for tenant management organisations**, 1994,

£30.00, The Stationery Office, PO Box 29, Norwich NR3 1GN Tel: 0870 600 5522

### **Modular management agreement for tenant management organisations**,

1994, The Stationery Office, PO Box 29, Norwich NR3 1GN Tel: 0870 600 5522

### **Preparing to manage: frameworks for tenant management work programmes and competencies for TMOs**,

1994, £9.00 The Stationery Office, PO Box 29, Norwich NR3 1GN Tel: 0870 600 5522

## Useful Contacts

### **Confederation of Co-operative Housing**

Fairgate House,  
205 Kings Road,  
Tyseley,  
Birmingham B11 2AA  
Tel: 0121 449 9588  
<http://cch.coop/>

### **National Federation of TMOs**

c/o Burrowes Street TMC,  
Resource Centre, Burrowes Street,  
Walsall WS2 8NN  
Tel: 01704 227053  
www: [www.tmonatfed.com](http://www.tmonatfed.com)

**TPAS** can help and advise tenants interested in exploring the idea of a tenant management co-op. Contact our national office at: 5th Floor, Trafford House, Chester Road, Manchester M32 0RS Tel: 0161 868 3500 e-mail: [info@tpas.org.uk](mailto:info@tpas.org.uk) or visit [www.tpas.org.uk](http://www.tpas.org.uk)

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