

Tenant Management gets a revamp

Over 200 Tenant Management Organisations have been established in England since the Right to Manage was introduced in 1994 (Leasehold Reform, Housing and Urban Development act 1993)

Government has been keen to see tenant management more widely established and expanded to the RSL sector where growth has been much slower, partly because Tenant Empowerment Grant (TEG) was not available to develop such models and because RSL tenants do not have a legal Right to Manage as Council tenants do.

The Housing Corporation ceased operation on 30 November 2008.

The **Tenant Services Authority (TSA)** will act as a new watchdog for social tenants. The TSA, will regulate social housing landlords, setting high standards of management across housing association and at a later date local authority social homes. It will also listen to tenants' concerns and use its powers to make sure tenants are getting a good service. Empowering people is the cornerstone of the Government's recent White Paper Communities in Control and the TSA is just one way in which tenants will have a greater say in running of their communities. The TSA will also have powers to cut red tape for high performing registered social landlords and the ability to take action where tenants are not getting a fair deal.

Initially the Tenant Services Authority (the TSA) will operate under the legal powers of the Housing Corporation whilst it consults on the powers set out in the 2008 Housing Act.

The TSA will be consulting with tenants across 5 million households and their landlords - including Local Authorities, ALMOs and housing associations - to develop the new standards framework and implement the new powers granted in the Homes and Communities Act. The TSA intends to 'switch on' its new powers for Housing Associations in December 2009 and across the Local Authority sector in April 2010.

From 1 October 2008, new regulations on the Right to Manage came into effect.

This not only makes major changes to how TMO's are developed but also to the grant system, Tenant Empowerment Grant, will operate.

Key Changes:

- 2 main stages An “Exploring the Options” study and “Feasibility and Development”.
- Only one ballot required at late stage of Development and requirement is now simpler, a majority voting is all that is required.
- TEG grant available to RSL tenant groups but still no Right to Manage in this sector.
- New “Voluntary Route” for Councils and their tenants that does not require a “Right to Manage Notice” being served. This route needs to be carefully considered as steps have to be taken to prevent these arrangements falling within EU procurement rules.
- The Tenant Services Authority has taken on the role of champion for tenants of affordable housing in England – standing up for their interests and aspirations and putting their needs first. They have inherited these from the Housing Corporation, so the links will take you to the Housing Corporation's website until they publish new material
- Competencies will be assessed by a separate person that the TMO developing organisation known as an Approved Assessor. Their job will not only be to assess competency but also to assess suitability of the Feasibility and Development programme for grant funding. Approved Assessors will be appointed by Grant Thornton on behalf of the Tenant Services Authority
- Approved Section 16 Agencies list being abolished. Agencies will be known as Lead Advisors and anyone can become one subject to the The Tenant Services Authority approving their suitability for grant receipt. It is expected to keep a list of such Lead Advisors on its website.
- Levels of grant for each stage will no longer be based on a “per unit” basis. Exploring the Options Studies are expected to be set at a fixed maximum while Feasibility and Development Grants will be expected to be for programmes specifically designed for each situation.
- TEG Grant will continue to be administered via the Tenant Services Authority on behalf of the CLG.

PEP has been working on Tenant Management since its earliest days and has a huge experience of this work. We hope these most welcome new regulations will see further growth in Tenant Management. Contact us now to find out how we can help you.