
CUSTOMER INFORMATION SHEET – SETTING UP A RESIDENT OR TENANT ASSOCIATION

The purpose of this leaflet is to encourage you to start a resident or tenant association, if you have not already done so.

Associations are an excellent way of getting to know your neighbours and being involved in the local management of your location.

The term 'Members' means the customer living at the location who have/will pay a subscription to the association. The term "officials" or "committee" means those customers who have been elected to serve on the association.

1. The purpose of a resident/tenant association

The main purpose of a residents or tenants association is to promote communication between us and customers. This should in turn promote the smooth running of the location.

All members of the association should represent the various needs and views of customers and must not discriminate on the grounds of nationality, political opinion, race, religious opinion, age, gender, sexuality or disability.

Each member of the association has a right to express their views at the annual general meeting or indeed any meeting called to bring to the attention of the committee any concerns relating to the management of the location.

By democratic process (such as voting), the association may decide whether to adopt a particular concern and take the matter up with us. We may also ask the association to seek opinion from the customers on a management issue.

2. Getting started

Often with our support, several customers will agree to set up an

informal committee to draft or agree a constitution (see point 4) which should provide the rules for membership, voting rights, elections of honorary officials and quorum (a quorum is the minimum number of members of a body necessary to make up the group.) It is recommended that the activities of an association are kept distinct from any communal social committee, although a sub-committee may wish to take on these responsibilities.

The informal committee should then notify all customers of their intention to form a recognised resident or tenant association and invite all customers to an inaugural meeting, giving a minimum of 14 days notice. At the meeting the following items should be discussed:

- Name of the association
- Aims of the association
- Constitution – customers will need to decide on a suitable constitution for further details see section 5.
- Membership fee - An annual membership fee should be set which is payable by full members of the association. The amount of the fee will vary from estate to estate depending on the range of activities covered, but as a guideline, at estates where there is an association today, the fee varies from £1 to £3 (excluding any contributions for social activities). The fees are collected to cover the expenses of the association (for example, postage, photocopying and stationery).
- Number of members - Full membership may be granted to one leaseholder in each property. Spouses or companions may become honorary members, entitled to attend meetings and take part in discussions but they should not be eligible to vote or hold office.
- Election of committee officials - The honorary officials should be elected at the inaugural meeting, Chairman, Treasurer and Secretary and, depending on the size of the estate, four or more committee officials who will meet at regular intervals to carry out the business of the association.

- Date of the annual AGM.

A record of these meetings should be kept and should be available to any members, as should copies of any correspondence relating to the association's activities. A report from the committee should be submitted to the membership at the Annual General Meeting.

Elections for honorary officials and committee officials will take place at the Annual General Meeting of the association. The association should also determine the length of notice to be given for the meetings, 14 days is often considered adequate.

Some associations provide an update of its activities by way of a newsletter or notice on the communal notice board. In this way, interest in the association's activities will be maintained by all customers.

3. How can we help?

We have produced some documents to help you such as our model constitution and a template that you can use to tell other customers about your proposed association.

We realise that when you are initially setting up an association you will not have a fund and printing letters and leaflets can be costly. We will therefore help you by photocopying paperwork. Your location manager will be able to assist you with this.

4. Serving on the resident or tenant association

Serving as an official or committee member should be an interesting and not necessarily time-consuming experience. It is important that all officials are familiar with the association's constitution, which sets out the limits, powers and rules of the association.

A resident or tenant association should have at least a: -

Chairperson Organises and is responsible for compiling the agenda for all meetings, opens and controls the meeting. Ensures all rules and procedures are followed. Takes the voting for the meeting and ensures it is done fairly. The Chairperson is not in charge but part of a team.

Secretary Assists Chairperson in organising meetings. Deals with all correspondence. Takes minutes of meetings. Monitors membership and attendance at meetings. We ask that any correspondence from the association be signed by the secretary and no other party.

Treasurer Opens a bank account in the name of the association. Keeps a record of all income and expenditure.

Prepares financial reports for meetings and organises annual audit (for further details regarding the audit please refer to section 8 of this Guidance Note).

Must provide a receipt for all monies received and spent.

5. Finding a suitable constitution

We supply a model constitution free of charge (a copy is enclosed with this pack), which is based on the experience of a number of successful associations. We also recommend the ARHM Constitution and the Tenant Participation Advisory Service for England (TPAS) Constitution. For contact details see the 'further information' section.

If you do decide to opt for a different constitution, we will look to make sure that certain minimum standards are met within your constitution before we will formally recognise your association.

6. Gaining recognition as a 'recognised' association

We will recognise any association that has a properly drafted constitution, democratically elected committee members, and represents the majority of properties (51%). A residents or tenants association applying for recognition must relate to a single estate that pays towards the same total service charge.

Once recognised your association will gain additional legal rights over an above those of an individuals. We will also provide you on a monthly basis with details on expenditure spent at your location.

7. What do you have to do to be recognised?

There are two main ways;

- Voluntarily by asking us to recognise you. This can be done through your location manager by sending a copy of your constitution and list of officials and subscribing member's names and addresses.
- or**
- More formally by applying to your local Rent Assessment Panel for a certificate of recognition.

We hope you will feel that voluntary recognition us is the easier route for you.

8. Auditing accounts, annual responsibilities and data protection

The association's accounts should be audited on an annual basis. When arranging for association accounts to be audited TPAS (the Tenant Advisory and Participation Service) recommend that if the sums involved are under £3,000, a competent third party or an independent body such as your local Council or Voluntary Service can carry out the audit. If the amount is in excess of £3,000 the resident association should get the accounts audited by a professional auditor.

Once your association has been formally recognised by us we require you to seek an annual renewal of the recognition. This can be done by providing a signed list of each official and the name and address of each member on the anniversary of your original recognition.

You should refer to the Information Commissioners website regarding data protection: www.ico.gov.uk . The guidance 'a brief guide to notification' provides an overview of data protection.

9. The location manager's role

Although the location manager cannot become a member or executive member of the association, the manager will work closely with committee officials and members.

The location manager can be invited to two meetings with the association per year. Prior to the meeting the manager should be

provided with a copy of the agenda.

The role of the manager does not involve the handling of money for the association membership funds, social activities, trips or functions.

10. Dissolution of the resident or tenant association

The constitution should state how the association can 'be dissolved' and what will happen to any funds or possessions in its ownership e.g. "The association may only be dissolved at a Special General Meeting called for that purpose. The meeting must be advertised 14 days before the date of the actual meeting".

It is recommended that on winding up any funds should be given to members in equal proportions, the funds be credited to the service charge account, or gifted to a charity. Members of the association should be aware that they could be held personally liable for the liabilities and debts of the association.

11. Further information

If you would like any more help or advice from Anchor, please contact your estate manager. Alternatively, the following independent bodies may also provide information and assistance:

The Federation of Private residents associations
Telephone Number: 0871 200 3324 (normal national rates apply)
email: info@fpra.org.uk and website: www.fpra.org.uk

The Tenant Participation Advisory Service for England (TPAS) provides information including a model constitution and advice about setting up a residents association, 5th Floor, Trafford House, Chester Road, Manchester M32 0RS. Telephone: 0161 868 3500

Residential Property Tribunal Service (RPTS) Tel: 0845 600 3178
Website: www.rpts.gov.uk

Age UK provides free advice, information and a mediation service to both recognised residents/tenants associations and individual residents on any matter relating to the management of retirement housing estates. Age UK, Tavis House, 1-6 Tavistock Square, London WC1H 9NA www.ageUK.org.uk