

Council – 23rd February 2012

WATMOS Community Homes – proposed changes to rules

1. Summary of report

To advise Council of a request made by WATMOS Community Homes to proposed changes to the organisations objects and powers as required by the Deed of Covenant.

2. Recommendations

That Council consider the request of WATMOS Community Homes to amend the current objects and powers as set out in the Appendix to this report.

3. Background

A request was received on 25th January, 2012 from Solicitors acting on behalf of WATMOS Community Homes (WATMOS) in relation to a transfer of housing stock from the London Borough of Lambeth which it is proposed will complete in March 2012.

Three tenant management organisations, Metra Housing Co-operative, Ethelred Tenant Management Organisation and Thorlands Housing Management Society currently manage the housing stock which is to be transferred to WATMOS under management agreements with the London Borough of Lambeth. As part of this stock transfer, the three Lambeth TMOs will join the WATMOS group as subsidiaries of WATMOS.

It is proposed that each of the Lambeth TMOs will be given the right to nominate one board member to the WATMOS Board, mirroring the current arrangements with the eight tenant management organisations which are already subsidiaries of WATMOS and as agreed with Walsall Council at the time of the stock transfer in March 2003.

4. Legal implications

Under the Deed of Covenant entered into with Walsall Council in 2003 at the time of the transfer, WATMOS must obtain the consent of Walsall Council to any changes to the rules relating to its objects and powers or tenant representation. Minor changes are proposed to the current objects and powers and these are set out in the **Appendix** to this report. In addition there will be a change to tenant representation on the WATMOS Board because three additional tenants (or non-tenant residents) will be admitted to the WATMOS Board alongside the existing eight tenant board members. An explanation of these changes is also included in the Appendix to this report.

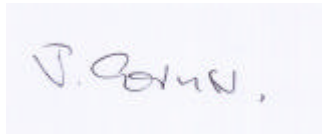
Author

John Garner

Democratic Services Manager

☎ 653500

✉ garnerj@walsall.gov.uk

A rectangular box containing a handwritten signature in blue ink that reads "J. Garner,".

Signed:

Democratic Services Manager

Date: 15th February 2012

Appendix 1

Proposed changes to WATMOS' Rules

1. Objects

1.1 WATMOS' objects currently read:

"The association is formed for the benefit of the community. Its objects shall be to carry on for the benefit of the community:

A2.1 the business of providing housing and any associated amenities for persons in necessitous circumstances upon terms appropriate to their means; and

A2.2 any other charitable object that can be carried out by an Industrial and Provident Society registered as a social landlord with the Corporation."

1.2 It is proposed that they should be changed to read (changes marked):

"The association is formed for the benefit of the community. Its objects shall be to carry on for the benefit of the community:

A2.1 the business of providing housing and social housing any associated amenities for persons in necessitous circumstances upon terms appropriate to their means; and

A2.2 any other charitable object that can be carried out by an Industrial and Provident Society registered as a provider of social housing with the regulator."

1.3 The following definitions will also be included, which are relevant to the proposed changes to the objects:

"regulator" means the body defined as the Office for Tenants and Social Landlords or any statutory successor to or any assignee of any or all of their relevant functions from time to time; and

"social housing" means low cost rental accommodation and low cost home ownership accommodation as defined in section 68 and social housing as defined in section 77 of the Housing and Regeneration Act 2008.

1.4 These changes are designed merely to update out-dated legislative provisions and reflect provisions now in force under the Housing and Regeneration Act 2008.

2. Powers

2.1 There is one proposed change to WATMOS' powers, which is in line with a wider proposed change to WATMOS' rules. This is the reference at B2.2 to a 'primary

housing co-operative' to a 'tenant management organisation'. B2.2 would therefore read (with changes shown):

"Without limiting its general powers the association shall have power to:

B2.2 help any tenant management organisation, charity or non-profit making body in relation to housing;"

2.2 'Primary housing co-operatives' were previously defined to mean 'a housing co-operative controlled by its tenants or any other tenant or consumer controlled housing organisation'. WATMOS has maintained this definition, but they are now referred to as 'tenant management organisations' to reflect the fact that its current tenant management organisation subsidiaries are not actually all co-operatives.

3. Tenant representation

3.1 The WATMOS Board is currently made up of 12 Board Members, 8 of which are nominated by the current tenant management organisation subsidiaries based in Walsall ('the Walsall TMOs'), and 4 of which are independent Board Members, chosen for their experience or expertise. It is proposed that the new Board composition will be:

- 11 Board Members nominated by the tenant management organisations (8 from the current Walsall TMOs and 3 from the Lambeth TMOs); and
- 4 independent Board Members.

3.2 Of the 11 nominated Board Members, these may either be a) all tenants; or b) up to 3 non-tenant residents (with up to 2 non-tenant residents nominated by the Lambeth TMOs and 1 nominated by the Walsall TMOs).

3.3 Non-tenant residents are either:

- people holding a freehold of premises for residential use within the areas of operation of the Walsall TMOs or the Lambeth TMOs; or
- people occupying a WATMOS property for residential use under a lease or license.