

How Tenant Management Organisations have wrongly been associated with Grenfell



Tenant Management Organisations are small, tenant-led organisations that take on a number of landlord functions from local councils. The one managing Grenfell Tower, however, was actually an Arms Length Management Organisation – wholly owned by the council, writes [Anne Power](#). She explains why the difference matters in light of the disaster at Grenfell.

When the Grenfell fire disaster happened, very few people had heard of Tenant Management Organisations (TMOs). The Kensington and Chelsea borough-wide TMO, formed in the 1990s, is known by tenants locally around Grenfell Tower as a “fake TMO”. It has now lost its role on the estate and may soon be disbanded. Among the 200 TMOs nationally, that particular organisation is a total anomaly – not community-based, not cooperatively run, not representative. It was set up to cover the whole borough and simply took on the existing council housing department and stock.

In sharp contrast to this model, TMOs are locally based, grassroots community groups that want to improve local conditions in their social housing estate or small area. They range from around 100 to 1500 rented properties in a single estate or area. Frustrated with remote council landlords who seem not to care, tenants often form a local group that fights for local control over local tasks to make their estate work – day-to-day repairs, caretaking, empty property, nuisance, rubbish, environmental and social problems.

Since the mid-1970s, over 200 of these TMOs have formed. They negotiate a management agreement with their council landlord to take on limited, local responsibilities, paid for out of an allowance from their rents. The council retains the ownership, a significant share of the rent, and overall responsibility for the properties, including allocations policy, capital investment, major repairs, public accounting and performance. For tenants to take on even part of their landlords’ role, to handle a budget, staff employment, service standards etc., they need proper training and dedicated time. Governments of all parties have supported the development of TMOs since the 1980s, funding training and introducing the Right to Manage.



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Tenants in the Lancaster West estate where Grenfell Tower is located and in other big estates in the Royal Borough wanted more say and better housing services. The Director of Housing proposed a borough-wide TMO that kept the housing department intact. It was not a TMO, because the tenants could not take on the complex task of running the whole of the borough's near 10,000 unit housing stock. The housing department staff were transferred over into the "new" organisation on existing terms and conditions, and the so-called KCTMO took over all council housing management functions, making it an Arm's Length Management Organisation of the Council – an ALMO.

The actual management agreement between the borough and effectively the Director of Housing, who became the CEO of the TMO, is still unclear. An ALMO is a government-approved public structure, wholly owned and controlled by the Council, which separates the Council's landlord services from other Council functions such as schools, libraries, and swimming pools. Kensington and Chelsea decided to keep the name Kensington and Chelsea *TMO*, in the hope that tenants would identify with it. There were a handful of tenants on the board as there are in other ALMOs. Grenfell was, at least in part, a consequence of the lack of local control; tenants of Grenfell Tower had warned months before of the risk of fire or other disasters because of the neglect of safety by the ALMO (KCTMO). The public inquiry will take many months to reveal the truth; prosecutions may take even longer.

Through austerity cuts, since 2015 financial support for tenant training has gone, and there has been little interest in TMOs. Kensington and Chelsea, following budget cuts, was quick to close day care centres, local libraries, and direct services, including the repair budget of KCTMO. It cut capital spend— hence the cheaper, less fire-resistant cladding on Grenfell Tower and the cheaper building contractor, the lack of fire sprinklers, and the meagre on-site supervision. The Council at the same time cut the Council Tax of the highest band of tax-payers.

The borough has a high level of evictions and resulting homelessness from private renting. Often Buy-To-Let landlords owning former council flats now let to homeless families, paid for by the borough through housing benefit, at vast public expense. Several homeless families were housed in ex-council flats in Grenfell Tower.

The National Federation of TMOs, with several hundred members, is shaken to the core by the fire and its aftermath. Many small TMOs are based in similar high rise blocks to Grenfell. Publicity about the "fake TMO" puts their track record at risk. Yet overall, TMOs have outperformed their local council landlords on rent arrears, re-letting flats, speed of repair, cost and tenant satisfaction.

The government has established a Recovery Task Force to secure long-term recovery as the clear "responsibility of the Council". This means taking in house the ALMO that can no longer masquerade as a TMO, but all Senior Officers in the Council are under legal orders to say nothing; this includes the Kensington and Chelsea TMO, now with a new chief executive. There is no clear mechanism to respond to the urgent needs of the 2000-3000 residents living on Lancaster West estate, under the shadow of Grenfell since the recent suspension of the ALMO's operations there. The Council seems deaf. People need action to restore normal conditions on the estate and rebuild trust.

So the Council must act to close down the "fake TMO" and take responsibility directly, both for what happened and what should happen next. A new Interim Director of Housing should take over, to work with the borough's Interim CEO to develop a decent housing service. The first step is to put in place a neighbourhood manager on Lancaster West, someone who can pull together the core housing services, now so desperately needed, with residents directly involved, to restore the confidence of a deeply shaken community. The lessons of Grenfell resonate across the entire social housing world.

About the Author



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