

29 August 2019

Proposed Merger
between the
National Landlords Association
and the
Residential Landlords Association

Member Briefing

THE DECISION TO MERGE

1. *Why are we merging?*

Stronger together - our boards have each concluded that a larger, single association for landlords will speak louder to government, nationally, regionally and locally and make better use of members' subscriptions, enhance and increase our services to members with better systems and leverage our buying-power with commercial suppliers.

2. *Isn't the competition between the NLA and RLA good for the sector?*

Sectors which have a single representative organisation are the stronger for it. A single, united organisation will eliminate the duplication of effort, and enable us to use our resources – paid for with members' money - more efficiently.

Government and other lobby groups have undermined our arguments by playing up perceived differences between the NLA and RLA to claim there is no consensus amongst landlords. The reality is that, for members, both organisations offer much the same support and service. Many members have already asked why the two organisations have not come together.

3. *When did you start thinking about this?*

This was the personal initiative of both Chairs. They initially met early in 2018 to explore areas where the two largest landlord associations might work together, but quickly realised that there was a bigger opportunity. Discussions continued through the year, with the full support and unanimous approval of both Boards.

4. *When was this agreed?*

The NLA and RLA Boards each voted unanimously in November 2018 to progress with the complex process to establish a new organisation which would bring them together as the National Residential Landlords Association (NRLA).

5. *Can't the two Boards just decide this?*

Both Boards agreed that it would be wrong to take such a significant decision without seeking members' support.

6. *How will members be informed?*

Letters and emails will be sent to all members later today [Thursday 29 August], announcing the decision and the member vote, together with a joint message from the two Chairs calling for their support.

7. *When will the member vote take place?*

Members of both organisations will vote on Tuesday 17 September.

8. *When will the merger happen?*

The technical merger is expected to take place in early November. The NRLA will launch on 1 January 2020.

9. *What has been done to ensure that the merger is properly executed?*

A full due diligence process has been conducted by both associations and on behalf of the NRLA. Legal, accounting and tax advice has been taken by both Boards.

10. Who has a financial interest in the merger?

Nobody. Both organisations are member-owned, not-for-profit- trade associations. No single individual has a direct financial interest in the merger.

11. Do any Board members stand to gain financially from the merger?

No Board director has a financial stake in either organisation. A new Board will be recruited for a short transition period. Four directors from the existing Boards will serve on the NRLA Board for a short term. There is no guarantee that any director of either of the existing organisations will be on the Board of the NRLA after the transition period.

12. How many people are members of both NLA and RLA? [

An analysis undertaken in September 2018 found 1,476 people (1,254 subscribing members; 232 associates) registered on both databases. That represents an overlap of 2.4%. Duplicated subscriptions will be credited to member's new account in NRLA so that their renewal date will be extended.

13. Are we going to stop recruiting members?

No. We will continue to recruit landlords.

THE NEW ORGANISATION

14. What will be the name of the new organisation?

The National Residential Landlords Association Limited (NRLA) (www.NRLA.org.uk)

15. What will the branding be?

Developing a new brand is part of the plan.

16. Where will we be based?

There will be offices in Manchester (Sale), London and Cardiff.

17. Who will be the Chair?

A new Chair will be appointed by an Appointments Committee consisting of Alan Ward and Paul Smee from the RLA and Adrian Jeakings and Steve Simpson from the NLA. The existing Chairs will not apply.

18. Who will be the CEO? How will the new CEO be selected?

A new CEO has been recruited through an open competition to lead the NRLA, and is expected to take up post towards the end of the year, after the new organisation has been formalised.

19. Are you replacing the Board?

Initially, a Board will be appointed drawn equally from the existing Boards, to oversee the transition. NRLA will appoint a new Board of non-executive Directors.

MEMBERS

52. How will this change affect members?

Members records will be transferred to the NRLA ready for the start of the new operation on 1 January. We will be creating joint team to manage the transfer and co-ordination of services so that members continue to receive the current high standards of service and effect a smooth transition.

Records show that fewer than 3% of the total membership are members of both the RLA and NLA. The renewal date for members with duplicated subscriptions will be extended.

53. What happens to my membership?

Your membership will automatically transfer to the NRLA.

54. What happens if I'm a member of both organisations?

Duplicated subscriptions will be credited to your account in NRLA so that your renewal date will be extended.

55. Who owns the new organisation?

The members will own NRLA in the same way that RLA and NLA are owned by their members.

56. What happens to the reserves?

The reserves which each Association has built up will transfer to NRLA along with the members.

57. The NLA brings more members and its financial reserve is bigger than the RLA's. Shouldn't that mean that the NLA has more of a say in how the new organisation is run?

The boards of both organisations have agreed unanimously that the best way forward for members is to come together as equal partners in NRLA.

In the same way that members will transition into the new organisation and become NRLA members, rather than NLA or RLA members, the reserves will follow them, and become the NRLA reserves.

58. Who is entitled to vote? Is it just those who are members on the day of the announcement?

No. RLA rules allow only those who are listed members as 15 days prior to the announcement to vote.

NLA rules entitle anyone who is a member on the day of the General Meeting to vote. The NLA Board has agreed to suspend acceptance of new members for the two weeks before the General Meeting. Any new member in this category will still be able to access the full range of NLA services during this period.

59. What can I do if I don't like the proposal?

If you are a member, you are entitled to vote against it.

60. *If I don't want to be a member of the NRLA, can I get a refund of the used portion of my subscription?*

You will be entitled to all the benefits of your subscription until it is due for renewal. At that time, you can choose to renew as a member of the NRLA or not.