



Northern Ireland
Assembly

**COMMITTEE FOR SOCIAL
DEVELOPMENT**

**OFFICIAL REPORT
(Hansard)**

**Commission on the Future for Housing in
Northern Ireland — Committee response**

4 February 2010

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Simon Hamilton (Chairperson)
Mr David Hilditch (Deputy Chairperson)
Mr Billy Armstrong
Mrs Mary Bradley
Mr Mickey Brady
Mr Jonathan Craig
Mr Alex Easton
Ms Anna Lo
Ms Carál Ní Chuilín

The Chairperson of the Committee for Social Development (Mr Hamilton):

I met the Commission on the Future for Housing in Northern Ireland at the headquarters of the Chartered Institute of Housing last Friday. It was a useful meeting, and we discussed a broad range of subjects. The commission was complimentary about the Committee having taken an interest in the subject, for which it is thankful.

The Committee received evidence from the Northern Ireland Federation of Housing Associations (NIFHA), the Northern Ireland Housing Executive, and the Chartered Institute of Housing. The Committee agreed to consider the issues that were raised and to submit its views on the commission's initial proposals in order to inform the draft of the commission's final report.

This session is being recorded by the Official Report to help to inform that evidence.

The Committee Clerk has provided a useful paper that breaks the issues into sections. We will work our way through those sections with a view to agreeing common positions.

The first section is on vision. The commission set out a vision for the future of housing, which included dramatic reductions in homelessness; the elimination of shortages of social and affordable housing; a significant improvement in housing standards across all tenures; ease of transfer between tenure types; and the elimination of fuel poverty associated with poor housing. I am sure that the Committee supports all those aspirations. Members should indicate if there is a particular emphasis that they wish to convey.

Do members give general support to those aspirations and the vision for housing that has been outlined up to 2020?

Members indicated assent.

The Chairperson:

We record our strong support for that.

The second section is on an overarching framework for housing. These sections reflect those in the commission's key issues paper. The commission proposed an overarching strategy for housing and community development; a reconsideration of the transfer of planning functions to local government under the review of public administration (RPA); the establishment of a communities unit; a stronger oversight framework for all tenancies, including a housing ombudsman; wider-ranging advice on housing matters; and reform of the common housing selection scheme, including the use of choice-based letting. NIFHA and the Housing Executive, although supportive of an overarching strategy for housing, seemed less enthused about a cross-departmental communities unit. Do members have views on anything in that section of the report?

Mr Craig:

It is a bit late to be talking about reviewing where planning goes.

Ms Ní Chuilín:

I thought that myself.

The Chairperson:

We have enough problems with it already; it is above our pay grade to complicate it further.

Establishing a communities unit was a significant proposal, and the Committee has talked about the common housing selection scheme. Perhaps it would not be right or proper for the Committee to suggest at this stage that it wanted the common housing selection scheme to be reformed or replaced. Does that scheme need attention?

Ms Ní Chuilín:

It needs further attention. One suggestion is made for possible reform of the common selection scheme, but I am sure that there are many others. I imagine that the matter will come up in the housing Bills that the Committee will be scrutinising. The Committee could acknowledge what the document says without encouraging comment or alteration.

The Chairperson:

That is right. Even though the Committee has taken some evidence —

Ms Ní Chuilín:

Well, we have listened to Fra.

The Chairperson:

He is helpfully not here today.

Mr Craig:

The important point is that the document states common sense. We are all fully aware that there are anomalies in the points system.

Ms Ní Chuilín:

Absolutely.

Mr Craig:

We are also fully aware that there are ways of using the points system. In the longer term, there needs to be an in-depth review of that. That is really what is being advocated.

Mrs M Bradley:

There would have to be a review.

The Chairperson:

We are probably in a position to say that we know that there are issues with the current system. However, I do not know whether we are in position to say that we know enough about the alternatives.

Mr Craig:

We are all aware of why the points system came in, and the last thing under the sun that anybody here wants to do is to replace it with something worse.

Mrs M Bradley:

That is right. That is why I said that there needs to be a review before we do anything else.

The Chairperson:

Are members content to say that we recognise that the points system exists to guarantee that nobody is disadvantaged or discriminated against, and that that needs to be a key feature of any future system? Are members also content to say that there are concerns — dissatisfaction is too strong a word — about the current system and that it needs to be reviewed?

Members indicated assent.

Mr Brady:

We should not be too prescriptive.

The Chairperson:

What about the idea of a communities unit? It has been suggested that there is no hard and fast view on whether there should be a communities unit, but it has been said that there is a need for greater co-operation. In government, different Departments have different powers relating to

housing, and it does not always seem as though they are facing in the right direction and doing the same thing.

Ms Ní Chuilín:

We have taken evidence about antisocial behaviour in communities. More often than not, decisions on how to tackle such behaviour are taken at a statutory or governmental level, and the communities affected must live with those decisions without any room to respond, change or challenge them. A communities unit may provide a better working relationship and a greater understanding across all the different sectors. Housing will always remain an issue, so it is about establishing a long-term relationship. The unit should reflect the equality of those in the relationship — local residents' groups or elected council representatives — whatever its makeup. The unit is a good idea in principle. However, I do not know enough about it. Everybody has an idea, depending on the needs of their area, about what a unit may look like. There needs to be space and flexibility to beef that up a bit.

Ms Lo:

I wonder why NIFHA and the Housing Executive are not supportive of it.

The Chairperson:

They are supportive of an overarching strategy or approach, but they thought that a communities unit might be burdensome. We could hedge it by saying that we like the idea of a unit. The Department for Social Development has responsibility for housing and regeneration, which are key aspects of the work. Another Department has responsibility for planning; another one has responsibility for infrastructure; and — I am thinking of Carál's example of antisocial behaviour and putting my neck on the line — there may be a Department of justice that would also have an impact. Therefore, lots of different Departments have an interest in aspects of housing and its development. It has been suggested that a structure be created to tie all that together much better.

Ms Ní Chuilín:

That is what I envisage the unit doing. I simply used antisocial behaviour as one example.

The Chairperson:

It is a good example.

Ms Ní Chuilín:

I am trying not to be too cynical and to work in the spirit of conciliation, but, when bodies and agencies such as NIFHA and, in particular, the Housing Executive talk about another layer of bureaucracy, what they really mean is that they cannot be annoyed dealing with or listening to communities. The communities unit could deal with issues such as representation, greater empowerment, the impact of planning on communities and much more. I do not want to impose any more bureaucracy on anyone, because I do not think that it works. In fact, it turns people off. However, we should explore what a communities unit may mean, rather than what it may not mean. That is what we need to do.

The Chairperson:

All right.

Mr Armstrong:

I am not so keen on residents' groups, because they are too domineering in certain areas. I am more in support of community groups that work with all people and that are not as domineering. People work in a more inclusive way in that form. Residents' groups can be domineering, and some people feel left out.

The Chairperson:

There may be some misconception. The commission's suggestion about a communities unit is modelled on the Homes and Communities Agency. It is about communities on the ground in some respects, but it is more about having an overarching approach to delivering not just housing but better communities. They are operating at that level rather than necessarily working with residents' groups.

Mr Armstrong:

Residents' groups are always hard-nosed.

Mr Brady:

It depends on the issues that residents' groups are dealing with. There may be more consensus on housing than there is on other issues.

Ms Lo:

The idea of a communities unit is a bit confusing. It is not clear what is meant by a communities unit.

The Chairperson:

The commission understands that point, because it said that it was not hard and fast on what the model might be or what it would be called. It is more the broad principle that we are talking about.

Mrs M Bradley:

There will always be people who will stand off and do not want to be part of anything.

Mr Brady:

As someone who has worked with community groups for a long time, I know that there are some that are very capable and some that are not so good. It depends on the issues that they focus on and how they feel about the effect of those issues on their community. Antisocial behaviour is a particularly good example, because we have all experienced situations in which people are moved from one community to another without any thought being given to the effect that that might have. I am sure that we can all relate examples of that. In my experience, there is a distinction to be made between residents' groups and community groups.

Ms Ní Chuilín:

I wonder what the community groups' view of politicians would be.

The Chairperson:

I do not want to know that. I will find that out at election time.

Can we support the broad principle of a more collaborative approach across all groups? How that is done is a matter for others. We can encourage discussion about how that can be achieved.

Members indicated assent.

The Chairperson:

NIFHA and the Housing Executive were keen to see a degree of standardisation of regulation

across the private and social rented sectors. Is there general support for that?

Members indicated assent.

Ms Ní Chuilín:

When we talked about rents, we also raised the issue of rights, particularly around eviction and repairs and maintenance.

The Chairperson:

OK. The next section in the paper concerns making housing a priority. The commission suggested a Northern Ireland-wide programme of household insulation to improve energy efficiency. I am not sure whether that would be a free programme. Do members have any views on such a scheme? Is it a good idea? If the resources were available to introduce such a scheme, should it be targeted at the fuel poor?

Ms Ní Chuilín:

It could be a mixture of both. There are people who have equity but do not have the means to insulate their homes. Landlords will pass that responsibility on to tenants.

Mr Brady:

Pensioners, in particular, are affected. Their passport benefits must be looked at as well.

Mr Craig:

We should target such a scheme right across the board, in the private and rented sectors. The difference is irrelevant. As a Government, we need to recognise the fact that fuel poverty is going to increase across the board as time goes on.

Ms Ní Chuilín:

That is happening, is it not?

Mr Craig:

Yes. I do not like the idea that the Government's rented sector is building better insulated houses than the private sector. We should be changing the regulations to ensure that that situation does not continue. Such schemes must be targeted across the board.

The Chairperson:

No one is going to disagree with a scheme to improve energy efficiency. The household insulation programme is one suggestion. We have talked about a boiler scrappage scheme. The warm homes scheme is already in place, and the Housing Executive improves its properties in various ways.

Mr Brady:

There is no uniform, decent home standard. As Jonathan rightly said, the Housing Executive builds to a higher standard than developers. That is why off-the-shelf housing bought by the Department costs, on average, around £5,000 to £8,000 to bring up to that standard. If there was a uniform standard, with improvements factored in, such as proper insulation, there would be benefit across the board.

The Chairperson:

A breadth of schemes is available, and we are seeing a proliferation of different types of schemes. In the long term, we must look at creating one point of entry for people depending on their means and background.

Ms Ní Chuilín:

When renting or buying a house in the South, an energy efficiency certificate is provided.

The Chairperson:

That happens here too.

Ms Ní Chuilín:

However, in the South, they are talking about taking the sort of standardised approach that Mickey outlined. Therefore, whether it is public or private housing, a baseline will have to be met, and that baseline will be non-negotiable.

Ms Lo:

A lot of new housing, private and public, meets the standard.

Ms Ní Chuilín:

It does not.

Mrs M Bradley:

It depends on the contractor. One housing scheme can be different to another.

Mr Craig:

It is an issue that probably belongs, in principle, to building regulations. The difficulty with that is that building regulations looks at health and safety first. However — I hate to say it — we are now putting a greener tinge on government here. That is green in the right sense.

Ms Ní Chuilín:

That is a leafy green tinge rather than any other type of green.

The Chairperson:

The household insulation programme that the commission suggests is as much about principle as it is anything else. We do not know whether that is the right scheme to move forward or whether there are the resources to do so. However, we have hit on a few issues that would generally improve the standard of housing.

There is a proliferation of schemes, and there needs to be one entry point so that people can be better directed towards what they need. Therefore, a millionaire wanting to improve the energy efficiency of their home could get advice on how to do so themselves, but a vulnerable person in need of assistance could also get whatever help is required.

Mr Brady:

There is an issue around energy efficiency, but there is also an issue around lifelong housing. People are going to get older, and they may be living with the effects of strokes or using wheelchairs, and that is something that needs to be factored in and addressed. A lot of money is spent on disabled facilities grants to adapt houses; something that originates with building control and occupational therapy. However, there is no reason why there could not be a joined-up approach in the design of housing. It would save money in the long run. It costs quite a lot for people to extend their houses to incorporate disabled facilities, such as wider doorways and ramps, but that could be factored into the overall design.

The Chairperson:

That connects to the selection scheme. We have all seen examples of somebody building a brand new house, costing hundreds of thousands of pounds, and the first thing that has to be done is some form of adaptation. People are moving into houses that not are suitable.

Mr Brady:

Older person dwellings were called that because the Housing Executive was subsidised to build dwellings for older people. However, following that subsidy being lifted, those houses became known as single person dwellings. A lot of young people now live in those houses, and that cuts down the housing stock for older people. There are issues around that that need to be addressed.

The Chairperson:

The commission also suggests a new role in neighbourhood regeneration for housing associations in Northern Ireland, and NIFHA has indicated some support for that. The Committee could indicate that it hopes that proposed revisions to the regulation of housing associations would allow them more opportunity to broaden their role in that area. The suggestion stems from the view that, in some cases, housing associations build houses but do not necessarily build communities. Housing associations could have an impact on regeneration, in particular, in urban areas.

Mr Craig:

It is critical for the Committee to have an in-depth look at the subject. There is a prime example in my area in which almost 180 houses were built. If the association had stuck to the letter of the law, it would have provided practically nothing for the community that it has just transplanted into a green field. However, I commend that association. After negotiations between it and the local authority, it is providing play facilities, at least, for the children. Nevertheless, that is outside the association's remit. A private developer would have had to put around 10 times more infrastructure into the area. There is almost an inequality between the private and the public sector, which is wrong.

Mr Brady:

When we visited the eco-village in Lisburn, we found that the developer had to include facilities.

Mr Craig:

Yes: that developer had to pay for a school, sporting facilities and provide small town-centre shopping, along with the whole ecosystem and the roads structure. However, none of that would have been required if the houses had been built by the government sector. We are building our own problems.

The Chairperson:

We want to encourage people to develop town centres and have more people living there, and we have referred to that in our report. We want developments to regenerate an area, and it should not simply be a matter of building houses and getting people to live in them — important though that is. It is about enhancing the area in whatever way is required.

Mr Brady:

It is about building communities as well as houses, and the eco-village in Lisburn is a good example.

The Chairperson:

Yes. That tackles antisocial behaviour issues and such like. So, does the Committee broadly support that idea?

Members indicated assent.

The Chairperson:

The next section relates to a mixed housing economy. The commission made suggestions in respect of allowing housing associations to deliver mixed tenure developments and borrow further against their assets. NIFHA supported that and wanted legislative changes to help the process along. The Committee can choose to indicate its support for new and innovative roles for the housing associations, similar to what it did before, and review the regulation in support of that.

Mr Craig:

I support that in principle. If we go back to what we looked at previously; realistically, if housing associations have to —

Ms Ní Chuilín:

Wash their own faces —

Mr Craig:

They do have to wash their own faces. If they are going to provide community facilities, we must be realistic and give them some means of doing that, and this, ultimately, is probably the answer.

The Chairperson:

It helps in that overall aspiration that it is not just a block of social housing, which some people stigmatise in one way or another. Different types of tenure need to be involved.

Mr Craig:

With the sell-off of Housing Executive houses, it is happening everywhere anyway — almost by default.

The Chairperson:

This is right; it has happened already.

Ms Lo:

If we are asking developers to have mixed tenure, social and affordable and private housing, housing associations should be taking on that role also. We have seen examples of that doing very well in Dublin.

Ms Ní Chuilín:

It has been done in Belfast and it is working.

The Chairperson:

Housing associations based here are doing it.

Ms Ní Chuilín:

Oaklee Housing Association has a scheme in north Belfast, on what was formerly the site of the Milk Marketing Board. It has sold a couple of big houses in the leafy suburbs of north Belfast — not down in the grey, pasty area where I live in — in order to try to get the level of other housing to stack up. It also breaks down the stigma between people who own houses and those who do

not, because the houses look exactly the same.

The Chairperson:

There are a few reasonable examples, but it is the exception rather than the norm.

Mr Craig:

Unfortunately, they must almost step outside Government rules to do that. A workaround is always being sought, which should not be the case: it should be encouraged.

Ms Ní Chuilín:

That is right.

The Chairperson:

Yes, it should be encouraged. Does the Committee support that idea?

Members indicated assent.

The Chairperson:

The commission also sought responses on block-leasing; that is, the transfer of a house; the transfer of the house sales scheme to housing associations; and the development of intermediate housing for rent. The Committee may want to comment on block-leasing, in that although it would support the innovative use of good quality private sector accommodation — and this goes back to the point we were making before — it would be considered that option as an additional PSA target relating to 10,000 social and affordable homes by 2013, rather than a substitute.

Ms Lo:

What is block-leasing? Does that mean getting a developer to build houses, which we then lease?

The Committee Clerk:

The houses remain in the private sector, but Housing Executive tenants live in them.

The Chairperson:

The homes have to meet a certain standard.

Mr Brady:

There is a pilot scheme in Newry.

Ms Ní Chuilín:

The reality is that we are doing that at the minute with housing benefit.

Mr Craig:

If introduced, the proposal would formalise arrangements.

Ms Ní Chuilín:

Formalisation would provide for better regulation.

The Chairperson:

It would also give one more control over standards.

Ms Ní Chuilín:

Absolutely.

The Chairperson:

OK. That brings us to the subject of the house sales scheme. Scotland has decided that the right to buy is limited to new tenants, although existing tenants retain their entitlement. Does the Committee want to call for a review of the entire house sales scheme, or elements of it? I do not think that the Committee should take a position.

Ms Ní Chuilín:

I would not be happy taking a position on the subject. I do not have enough information to do so.

Mr Craig:

Neither do I, and it would not be right to say that the Committee would completely do away with someone's right to buy.

Ms Ní Chuilín:

It is totally disenfranchising people. I would not be happy with that.

Mr Craig:

There are probably some areas that we need to look at. I am thinking of some landlocked pockets that have nowhere to expand the building of any houses, private or public. It may be necessary to impose restrictions on small areas such as those, which are at saturation point, with 60% or 70% of stock sold off, but one would not review the whole process.

Mrs M Bradley:

One could not deprive anybody of their right-to-buy privilege.

The Chairperson:

Regardless of the ideology behind the scheme or those who started it, it has worked. On the one hand, it has diminished the amount of stock, and that has caused a problem that we are trying to address. However, right to buy has turned around huge estates that are now, for the major part, in private ownership — it has been its own regeneration project. It has helped.

Mrs M Bradley:

I do not think that we could deprive people of that opportunity.

Mr Craig:

One would not want to.

The Chairperson:

The Committee will state that as its very clear view.

Ms Ní Chuilín:

Fra McCann will kill the two of us, Mickey. We are endorsing a Thatcherite policy. We are going to get slapped. *[Laughter.]*

Ms Lo:

Fra is not here. He is very much against it.

Ms Ní Chuilín:

I know. That is what I said; we are going to get slapped. We are in big trouble. *[Laughter.]*

Mrs M Bradley:

That is the one thing the Conservatives did well. They made the right decision for once when they introduced the right to buy.

Ms Ní Chuilín:

Fra is not here, so go ahead Chair, pass it along. *[Laughter.]*

Mrs M Bradley:

In for a penny, in for a pound.

The Chairperson:

We must write to Baroness Thatcher to tell her that the right to buy was her finest achievement.

Mr Craig:

Send that letter of congratulations on behalf of Fra. Get him to sign it. *[Laughter.]*

Ms Ní Chuilín:

This will get us reported to the politburo. *[Laughter.]*

Mr Hilditch:

Coming up the corridor, it is great to hear the Committee laughing.

Ms Lo:

Such harmony. *[Laughter.]*

The Chairperson:

We now come to the last wee section: the role of the Housing Executive. The commission suggests that the Housing Executive appears to support a possible separation of its own role in respect of landlords and strategy. The Committee might want to indicate that it supports those and other suggestions, insofar as they reduce bureaucracy and allow greater capacity for prudent borrowing to improve and enlarge the social housing stock and affordable housing options.

As with a lot of this, we could accept or agree it in principle and not be prescriptive about how it should happen. My interpretation of the idea, having spoken to the commission last week, is

that it seems to be saying that a strategic authority for housing could drive the whole housing agenda much more than at present and could take advantage of things. One example cited by the commission was European funding, which has been taken on board recently. The ability to do that has been in place for a long time, but having a strategic authority could drive housing associations to do things better and achieve things collectively. However, there would still be an arm that was performing the landlord function. Perhaps, although I do not think that we should be saying anything about this, that could be developed and the asset base could be used much more productively. There are a lot of issues to deal with and a lot of hurdles to surmount, but is the Committee broadly supportive of the idea of doing something like that?

Mr Craig:

It is certainly something that I have thought about for a long time. I am very supportive of the idea, because I think that the Housing Executive is almost artificially restricted: all of its stock is being sold off; it is not allowed to build anything, and therefore this is a diminishing issue for the organisation. However, that should not be the case. If the areas were separated, one could become an enormous housing association, which could be given the same rights as others and be allowed to get on with its work, which would help the housing market. The other area could have a dedicated unit that looks after the other issues of which we are all fully aware. It would lead to a far more focused situation in housing.

Ms Lo:

What are they talking about then? At the moment, the Housing Executive is a big landlord. Are they saying that housing associations should be allowed to take on the responsibility for housing? Whose responsibility should it be?

Ms Ní Chuilín:

This is about strengthening the scope of the Housing Executive's current role.

The Chairperson:

In its evidence to us, the Housing Executive suggested that it, or some different construct of the Housing Executive, would be strengthened. There are issues concerning debt that would have to be sorted out, but it could then use its sizeable asset base. I do not know how many billions worth of assets it has on those 90,000 houses, but it could use those assets to raise capital to reinvest. I suppose that the theory is that the problems that we see every month with Egan contracts, for

example, as well as the lack of certainty over funding, could be overcome if the Housing Executive could raise its own finance, which is something that it cannot do.

Mr Brady:

Going back to what Jonathan said; we really want the Housing Executive to return to what it was originally set up to do. At the moment, and to a large extent, it is a debt collector and an administrator of housing benefit. It has moved away from the concept of housing. I have spoken to people who work in the Housing Executive, and I am sure that other members will have had similar conversations with those people, and I know that they are very frustrated about their roles.

Mrs M Bradley:

Their hands are tied.

Mr Brady:

Absolutely. The Housing Executive has moved away from the concept of what it was set up to do.

The Chairperson:

It is not that the roles are incompatible, but if the landlord, maintenance and strategic functions can be separated, one can concentrate on the strategic function and not have to worry about debt collecting or repairs. One can say what is best for housing in Northern Ireland, get involved in regeneration and decide how to leverage in private finance. Therefore, the big picture stuff would sit to one side, while the human interface with tenants could be dealt with in a different way.

Mr Brady:

A housing estate in Newry had such a reputation that houses there could not be given away. However, the Housing Executive went in, spent very little money and turned the place around, with very little effort. In that case, it did what it was set up to do. It enhanced the whole area, and houses that could not be given away are now being sold.

The Chairperson:

Is the Committee content? Do we think that it is a good idea, and that it needs to be explored a little further?

Members indicated assent.

The Chairperson:

The commission also suggested that an independent body be established to set and align all social rents. With respect to disputes about the disparity in rents, the Housing Executive indicated that rent increases should not disadvantage people who are not in receipt of 100% housing benefit. I mentioned earlier that a letter has been received from the Department and appears to indicate that a rent alignment exercise is under way. What is the Committee's view on rent realignment or the convergence of rent? If that is going on by the Department, the Committee should keep an eye on it. Rather than the Minister set the rent annually, as is done and as has been done, should it be done by an independent body?

Ms Ní Chuilín:

Rent levels could be decided by someone with similar responsibilities to a utility regulator.

The Chairperson:

Yes. However, how it would be done is a matter for discussion: these items are visions rather than details. Any support the Committee would give would be contingent on how the system looked and operated. It would be a good idea for an independent person to take a fresh look at the matter rather than someone who would be under political pressure.

Mr Brady:

At the moment, it is a fairly arbitrary system. We probably need more detail.

Ms Lo:

I am supportive of that. It should be based on economics rather than politics.

The Chairperson:

That is right. Are members content with what we have done?

Members indicated assent.

The Chairperson:

The Committee Clerk will draft a response based on members' comments. The commission's

final report will be drafted in February and will be shared with us informally. The final publication is due around late March or early April.