

## **DfC Draft Housing Supply Strategy Consultation Response (9.2.22)**

### **Lower Oldpark Community Association**

#### **Consultation Response Constraints**

The draft Housing Supply Strategy consultation began on 8.12.21 and the indicated consultation closure date was specified as 9.2.22. Unfortunately, LOCA did not become aware of the consultation until early February 2022. This is not the fault of DfC.

LOCA's understanding is that the consultation period should have been 12 weeks and not eight. Twelve weeks is the consultation period set down in the DfC Equality Scheme. LOCA would therefore request that the consultation period is extended by four weeks until 9.3.22. In the event of this being agreed, LOCA will submit a more substantial response.

LOCA has not found it possible to make a submission within the framework set down by DfC.

LOCA's submission is based on information available at the time. It represents, in the limited time available, LOCA's best effort to address issues covered by the draft Strategy.

LOCA has not found it possible to address all the issues and proposed policies and interventions. Non comment does not indicate support or non-support for any aspect of the draft Strategy.

This response was prepared over a very short timeframe. Apologies are provided in advance for any inaccuracies and inadequacies in the content and the structure of the presentation of the information.

#### **Gap Between New Dwelling Completions and Housing Growth Indicators**

The draft strategy advises that between 2016/17 and 2020/21, annual new dwelling completions in Northern Ireland consistently exceeded housing growth indicators based on household projections. However, the draft strategy also states that, in 2017, the DfC Housing Symposium, in recognition of the growing gap between supply and overall requirements, had already recommended an overall delivery target of 8,000 new dwellings per annum ...'. Based on the proposed target of 100,000 homes or more in 15 years, it is assumed that the draft Housing Supply Strategy is not adhering to the DfC Housing Symposium figure of 8,000 new dwellings per annum, or a higher number.

#### **Land Supply**

Land that is owned by public bodies and is deemed surplus to requirements should be released on the market in accordance with DoF guidance. The release of this land will support efforts to sustain and increase the supply of owner-occupation housing, including Intermediate Housing (Shared Ownership). Such land release can contribute significantly to the regeneration of areas where there are significant numbers of vacant sites and lower levels of assessed new social housing need.

The potential success of this approach is supported by information provided in the NIHE Commissioning Prospectus Affordable Social and Intermediate Housing for Social Housing Development Programme Period 2022/23 – 2023/24 document which states, 'Prior to the

COVID-19 pandemic in March 2020, the Northern Ireland Housing market had gained momentum with sustained demand and average house price increases year on year. Contrary to expectations the housing market continues to be buoyed, with Ulster University indicating that the average house price in 2020 was £180,079. Sales and pricing both increased during the second quarter of 2021, consumer confidence continues to improve in line with the wider economic recovery. While there are signs of a potential moderation in activity, in the short-term the owner occupied market is expected to remain buoyant.'

### **Existing Social Housing Stock Management**

Budget limitations on the level of social housing new build raise the question of how can the existing social housing stock be better utilized to reduce waiting lists to a degree.

#### Transfer Exchanges

Housing waiting lists include Transfer Applicants who are currently in social housing that doesn't suit their needs. Social housing tenants have a right to exchange with other social housing tenants. An online Homeswapper facility exists to help connect tenants wishing to exchange. Social housing landlords should be required and supported to enable all their tenants who are seeking transfers to exchange with other tenants. This would enable transfer applicants to have their needs met regardless of the housing needs points they have. As the mutual exchange process doesn't permit a move that would result in a worsening in housing conditions, a significant expansion in exchanges would also result in a better use of housing stock. It would help facilitate tenants moving to larger or smaller homes to meet their needs. Financial incentives, such as help with moving costs, could be provided to encourage transfer applicants to use the mutual exchange option. A University of Ulster/ University of Cambridge piece of research to inform a fundamental review of social housing allocations published in December 2013 proposed that 'mutual exchanges should be promoted as a mechanism to meet housing need'.

Many social housing tenants, particularly elderly, are living in homes that are too large for them. If they chose to stay in these homes, this should be fully respected. However, some elderly persons may be willing to move to smaller social housing units by way of transfers or mutual exchanges. The same may apply to non-elderly households who might be affected by any future changes in 'Bedroom Tax' mitigations. Social housing landlords should be required and supported to contact under-occupier and over-occupier tenants and make them aware of the transfer and mutual exchange options. If tenants are interested, they should be supported in relation to the transfer and mutual exchange processes. Again, financial incentives could be provided.

#### 'Giro Drops'

It is widely known that some social housing units are 'Giro Drops' i.e. social houses that aren't occupied on a permanent basis because the tenant is living, most of the time, somewhere else. This scenario often involves partners each having tenancies of separate houses but both usually living in just one of the properties. The reasons for this arrangement occurring may be varied but one factor must undoubtedly be the social security benefits' disincentive associated with declaring you are living together.

Giro Drops reduce the number of social houses available for waiting list applicants. Social housing landlords investigate suspected cases and, where evidence is obtained, take appropriate action, however, the problem remains. If it hasn't already happened, the scale of the problem and the underlying causes should be researched and more effective, appropriate responses developed so as more social housing can be released for waiting list applicants.

### **Right To Buy**

The right of tenants to buy their social homes has existed for approximately 40 years. In Northern Ireland, this policy has proved popular, something that has been helped by discount incentives. The social housing stock across Northern Ireland has been significantly reduced due to the Right to Buy, including in areas of high social housing need. This loss of stock has significantly reduced the number of houses that become available for letting to social housing waiting list applicants.

The rate of loss of social housing by way of the Right to Buy has reduced as entitlements under the scheme are restricted. The statutory right of housing association tenants to buy their homes will end in 2022 and this will help reduce the loss unless a voluntary scheme is introduced for these tenants. While a 'buy back' option is available, this can only have a limited impact on supply.

NIHE tenants will continue to enjoy the right to buy until such time as its status perhaps changes to that of a mutual. The ending of the right to buy, or the introduction of further restrictions on entitlements would help maintain the supply of social housing.

### **Social Housing Application Process**

Anecdotal evidence has provided a sense among some within communities that the introduction of the new Housing Solutions approach to dealing with people wanting to apply for social housing, has resulted in some people being deflected from submitting housing applications and directed to other options such as the private rented sector. This should not happen. Everyone wishing to apply for social housing should have a form completed and submitted and their application fully assessed. An indication of the extent to which people making contact with Housing Solutions are deflected from applying should be identified. This could be achieved by comparing the number of people making contact with Housing Solutions and the number of assessments carried out.

### **New Social Housing Need Assessment**

Responsibility for determining social housing need across Northern Ireland's regions, cities, towns, areas and neighbourhoods rests with the NIHE.

The assessment takes account of a number of things including waiting list expressed housing need with a focus on Housing Stress (Urgent Housing Need) as indicated by an applicant being awarded 30 points or more.

### **Housing Stress**

In June 2021, there were 44,985 waiting list applicants, of which 69 percent (30,926) were in housing stress (Source: NIHE Commissioning Prospectus Affordable Social and Intermediate Housing for Social Housing Development Programme Period (2022/23 – 2023/24)).

The new build Housing Social Need Assessment process sets a baseline for housing applicants being considered as being in Housing Stress - 30 points or above. This is a low baseline and applicants with this level of points would be regarded as having a very low chance of being allocated social housing. Indeed, in most areas of choice, those with less than 100 points would have limited chance of being offered accommodation.

It would be helpful to identify the scale of different levels of Housing Stress. How many applicants have between 30 and 70 points and how many have between 70 and 100 points? These applicants are likely to sit on the waiting list with little chance of offers while new applicants with more points constantly leapfrog them on the waiting list. Identifying the size of these groups would be helpful if consideration is being given to developing alternative housing solutions.

### Tenancy Offer Refusals

There is a need for consideration to be given to the issue of new social housing tenancy offer acceptances and refusals. A University of Ulster/ University of Cambridge piece of research, commissioned by DfC, to inform a fundamental review of social housing allocations, published in December 2013 stated that research carried out by the NIHE in 2006/07 found that 29 percent of social housing tenancy offers were accepted, 34 percent were refused (with a reason for refusal supplied) of which 12 percent had refused between 4 and 6 offers and 3 percent seven or more offers, and a further 33 percent of applicants did not reply or give a reason for refusal. (LOCA understands that the figures don't include multi-offers). If this trend continues today, it may point to a high level of refusal of offers of accommodation. It is presumed that all, or a very high proportion of those receiving offers are in housing stress (Urgent Housing Need) and a significant proportion are Full Duty Homeless applicants. In this context, such a high level of refusals is surprising.

A research document entitled 'Review of Housing Need Assessment Formula (November 2011)' was prepared for the NIHE by Newhaven Research. It stated, 'While some people in housing need may not apply for social housing, some who are not in need may choose to do so. .... The Housing Selection Scheme acts as a filter in this regard, but there may be some applying for housing who meet the criteria of being in normative need, but have no intention of taking up an offer of social housing unless their current circumstances change further. .... If there are people assessed to be in current normative need, but not prepared to accept any offer of housing given, there is a fair question to be posed about the extent to which the norms being used to quantify need are appropriately set. .... However, I have no evidence base to inform further consideration of this.'

There seems to be a case for an up-to-date, detailed examination of the level and meaning of large scale tenancy offer refusals if it continues to occur.

### Transfers

When someone secures a social housing transfer, they move from their existing social house to another social house. This is a very important component of the housing selection/ allocation process. It enables many social housing tenants in housing stress to have their needs met.

However, when a transfer applicant moves from their home to a new home, they leave their previous home vacant and available for someone on the waiting list to be rehoused. Transfer

applicants do not generate the need for a new house to be provided. This contrasts with non-transfer housing applicants.

Clarification is required as to whether the Housing Stress figure for Northern Ireland (30,926 in June 2021) includes transfer applicants and, if so, what number.

### Type of Social Housing

A number of factors have led to a trend to provide smaller (number of bedrooms) accommodation. These include a smaller household size and the 'Bedroom Tax'. This approach is based, to a degree, on short-term thinking. Accommodation should be able cater for a household as it develops over time and for different households with different needs over time. This would provide for a more effective and economical use over resources.

In the context of social housing provision, a small family with a one child (newborn) will be allocated a two-bedroom home on the basis of their current needs. If they have another child in seven years, and it is a different gender, this will result in the household requiring an additional bedroom, in accordance with Housing Selection Scheme rules. In this scenario, they will have to seek a transfer, but, unless they have other problems, they may only receive a small number of points (for overcrowding) and will sit on the waiting list for years without any hope of rehousing.

There is a need for housing associations to be given flexibility to provide larger homes (three-bedroom) to enable them to offer accommodation that allows household expansion over time. A need for flexibility has been recognized by the NIHE. Its document, 'Commissioning Prospectus Affordable Social and Intermediate Housing for Social Housing Development Programme Period (2020/21-2022/23) states, 'The trend for new dwellings in Belfast is for smaller households for single and elderly person as well as small family units. One and two-bedroom units would increasingly be the norm for singles and small families. Where possible one bedroom properties, while addressing the immediate requirements under Welfare Reform, should be designed flexibly to cater for potential household growth.' It would be logical to encourage this flexibility in relation to the design of family homes.

### **Empty Homes**

Empty homes across the social and private housing sectors reduce the housing supply in Northern Ireland.

Long-term voids in the social housing sector help to lengthen waiting lists. Empty properties in the private housing market reduce supply and help to push up prices or to push people towards the social housing sector.

In 2013, the Department of Communities launched an Empty Homes Strategy 2013-2018 which aimed to bring the estimated 32,000 empty homes across Northern Ireland back into use. The scale and nature of the empty homes problem in Northern Ireland needs to be updated. 32,000 empty homes is a significant number. The application of policies to address this problem could impact significantly on the housing supply across Northern Ireland and help to meet needs and demand in areas where empty homes are located. Such an approach would, in most cases, be lower cost than building new homes and would probably deliver homes within a lesser timeframe.

## **Quality of Place**

The draft Housing Supply Strategy refers to the need to consider quality of design and environs. It states that this includes such things as access to open space, feeling of safety, visual amenity, attractiveness of areas to existing and potential future residents. It says that work is underway to identify suitable indicators.

The quality of housing external environs is also affected by other factors, including, the quality of the public realm and green space and their maintenance and the existence and quality of maintenance of vacant sites. These factors also impact on social housing Areas of Choice decisions by social housing applicants and on their decisions whether or not to accept specific tenancy offers. These additional factors should be included in the planned list of indicators.

It is important that issues of quality of design and environs are not considered simply in the context of new housing development. There are social housing areas with older housing stock and public realm and other external environs that are outdated, unsafe and poorly maintained. These environs help to reduce the attractiveness of these neighbourhoods and they become unpopular and low demand areas. Properties can become long-term voids and then derelict and then demolished which results in open space which promotes anti-social behaviour and further decline. Interventions are required to prevent and reverse such spirals of decline.

There is considerable evidence over many decades to show how improvements in the local environment within low demand social housing areas can increase the attractiveness of such areas to potential tenants. People are willing to consider homes that had been long-term voids/multi-offer properties. This increases the supply of social housing.

The refurbishment of long-term voids that have become derelict increases social housing supply. These properties may initially be let on low points but the positive impact they have through an improved environment and reduced ASB results in higher demand and a higher points requirement for allocation. This means that applicants in greater need are rehoused.

## **Housing Equality**

The Northern Ireland Social Housing Development Programme, which is prepared by the NIHE, sets out the new social housing schemes to be delivered at various locations over a three year period. This programme is based on an assessment of housing need which takes account of the level of Housing Stress at various locations across Northern Ireland.

The draft Housing Supply Strategy sets out a examples of differences in levels housing need between different groups.

The NIHE Commissioning Prospectus Affordable Social and Intermediate Housing for Social Housing Development Programme Period (2022/23 – 2023/24) states, ‘The current five year projected need for NI is 20,255 (2021-2026). The districts with greatest projected need are Belfast City and Derry & Strabane, followed by Newry, Mourne & Down, Lisburn & Castlereagh and Causeway Coast & Glens.

Further to this, the Housing Executive is committed to ensuring that housing need is targeted equitably throughout Northern Ireland and has developed Strategic Guidelines to distribute the new build social housing requirement against the available annual budget and targets set by the

DfC at a LGD level over the three years of the Social Housing Development Programme (SHDP).’

The Strategic Guidelines seek to direct the delivery of the SHDP based on an objective assessment of social housing need ‘intensified’ to reflect median levels of points and waiting times. The current SHDP is formulated on the basis of the following targets for each of the three years and strategic categories (includes any confirmed supported housing and Traveller units).....’

### **Regeneration**

The draft Housing Supply Strategy proposes the following enabling activity, ‘Consider how existing powers can be used better to achieve housing and regeneration in areas of greatest need and examine how statute and legislation might better support the release of land and buildings for the delivery of housing.’

This enabling activity does not address the need for housing and regeneration in areas where there are vacant sites and which don’t have high levels of new build social housing need as determined by the NIHE Social Housing Need Assessment process. This is a very important issue for a number of neighbourhoods across Belfast.

### **Infrastructure**

The draft Housing Strategy refers to prioritizing water infrastructure for new housing areas in greatest need. This would, presumably, entail new major sewage infrastructure provision at locations where new social housing is planned.

In areas of high social housing need, this often means new development on edge of town/ city greenfield sites. Drawing new water infrastructure resources away from inner city locations where sewage infrastructure is often crumbling and there is a high concentration of important services might be hard to justify.

Water infrastructure capacity is a significant issue that affects all land uses and that needs to be addressed by significant investment and by the identification and application of appropriate ‘engineering solutions’ at development locations where suitable infrastructure isn’t in place and won’t be provided in the near future.