



# The Right to Housing

# Ar son Cearta Tithíochta

IMPROVING THE LEVEL AND  
LOCATION OF SOCIAL HOUSING

LEIBHÉAL AGUS LÁTHAIR NA  
TITHÍOCHTA SÓISIALTA A FHEABHSÚ





**Sinn Féin**  
**2019**



# The Right to Housing

Improving the Level and Location of Social Housing

## Ar son Cearta Tithíochta

Leibhéal agus Láthair na tithíochta sóisialta

### Contents

1 Introduction .....	2
2 Policy Context .....	3
3 Revitalising the Housing Executive .....	5
3 Improving New Build Targets .....	6
4 Funding an Ambitious New Build Programme .....	7
5 Improving Access to Private Land .....	8
6 Better Use of Public Land .....	10
7 Summary of Recommendations .....	12

# 1 Introduction

Housing is one of the most fundamental human needs. It provides basic shelter, comfort and security. A home also affords personal dignity, a space for privacy, and a foundation for family life. That is why the right to adequate housing is enshrined in the International Covenant on Economic, Social, and Cultural Rights (ICESCR) ratified by the Irish and British Governments.

Under ICESCR the right to adequate housing should be progressively realised. In other words it should improve over time. However, between 2007/08 and 2017/18 Housing Stress (applicants with more than 30 points) increased by 13% from 21,364 to 24,148 households. The right to adequate housing should also be exercised equally. Yet analysis undertaken by NERI highlights “a mismatch in the supply and demand of social housing, and particularly for those regions with the greatest needs”.<sup>1</sup> There is a political dimension to this geographical inequality. As the Equality Commission’s Statement on Key Inequalities in Housing and Communities shows, households with a Catholic reference person on average wait 15 months for a home compared to 9 months for their Protestant counterparts. In this context the ICESCR Committee has expressed concern at both the overall shortage of social housing and the sectarian differential in social housing figures.<sup>2</sup>

The key programme that affects these outcomes is the Department for Communities’ Social Housing Development Programme, administered by the Housing Executive, which determines the level and location of new social housing. This paper sets out Sinn Féin’s proposals to increase the supply of new build, particularly in areas of highest need. It recommends a stronger role for the Housing Executive, a more ambitious new build target, a properly funded new build programme, and measures to improve access to land. Together it represents a package to progressively and equitably realise the right to adequate housing.

**Carál Ní Chuilín MLA,**  
Assembly Housing Spokesperson



<sup>1</sup> NERI (2018) Housing Provision in NI and its Implications for Living Standards and Poverty.

<sup>2</sup> Committee on Economic, Social and Cultural Rights (2009).

## 2 Policy Context

The civil rights campaign for an end to sectarian discrimination in the building and allocation of social housing led to the establishment of the Housing Executive in 1971. The new body assumed the stock of various local government bodies, introduced a transparent points system to allocate homes, and embarked on an extensive programme of approximately 6,000 new homes per year.

Following the election of the Thatcher government in 1979 public investment in social housing declined and by 1990 the annual level of new build dropped below 2,000. Struggling to fund its new build programme, the Housing Executive looked to the 1992 Housing (NI) Order for a solution. This legislation allowed Housing Associations, which previously were restricted to borrowing from government, to access private finance. To avail of this borrowing capacity, responsibility for delivering new social build was transferred from the Housing Executive to Housing Associations in 1998.

Housing Associations, which previously complemented the Housing Executive's large-scale building programme with small-scale niche developments, did not ask for this onerous responsibility and were initially not well equipped to take on the task. But over time they built up their experience and capacity, and their ability to borrow over and above the block grant<sup>3</sup> is now vital to sustaining new build. Currently, Housing Association borrowing match-funds public investment, effectively doubling the amount of new build delivered for a given level of public expenditure. Notwithstanding this, on average less than 2,000 new social homes per year have been delivered over the last decade.

In 2017/18 over 36,000 households were on the waiting list, two-thirds (24,000) of those were in the high-need category of Housing Stress, and almost 12,000 were homeless.<sup>4</sup> In order to reduce these figures a significant increase in the supply of social housing is needed.

It is also important that new homes are built in line with objective need. The Housing Executive has the job of co-ordinating the build of over twenty independent Housing Associations. To this end the Housing Executive's Commissioning Prospectus breaks down the overall new build programme (currently 2,000 homes) into targets for each Council area (with the exception of Belfast which is split into North, West, and South & East Belfast) based on their relative housing need. The Table below shows the local targets for new homes over the last three years, and what was actually delivered. It reveals a significant mismatch between the two. At one extreme, West Belfast was 476 homes below target. At the other extreme, Causeway Coast & Glens was 191 homes above target. It should also be noted that the homes built in North Belfast were not directed towards areas of highest need. In summary, both the level and location of new homes needs to be improved.

---

<sup>3</sup> Housing Executive borrowing would be deducted from the block grant by the Treasury.

<sup>4</sup> Department for Communities (2018) NI Housing Statistics 2017-18.





## NEW HOMES TO TACKLE HOUSING STRESS

[2015/16 to 2017/18]

Area	Target	Actual	+/-
North Belfast	365	428	+63
South & East Belfast	484	228	-256
West Belfast	965	489	-476
Lisburn & Castlereagh	191	300	+109
Antrim & Newtownabbey	212	330	+118
Causeway Coast & Glens	94	285	+191
Derry & Strabane	686	833	+147
Mid & East Antrim	575	404	-171
Ards & North Down	300	463	+163
Armagh, Banbridge & Craigavon	53	77	+24
Fermanagh & Omagh	13	14	+1
Mid Ulster	136	167	+31
Newry, Mourne & Down	410	272	-138
<b>Total</b>	<b>4,484</b>	<b>4,290</b>	<b>-194</b>

### 3 Revitalising the Housing Executive

The Housing Executive's original mission of addressing housing inequality should be reasserted and revitalised. It should be given a legally-binding remit to address housing inequalities, including those identified in the Equality Commission's Key Inequalities in Housing and Communities. In order to ensure that equality is championed at the highest level of the organisation an expert in Human Rights and Equality law should be appointed to the Board of the Housing Executive.<sup>5</sup> This Board member should publish an annual assessment of the Housing Executive's compliance with Human Rights and Equality standards.

As well as assisting Housing Associations to promote equality the Housing Executive should have the ability and power to directly address unmet housing need. This role would complement Housing Associations, addressing need they have not met. In areas of highest need the main difficulty is often acquiring land at an affordable price, and this paper sets out a range of proposals to address this issue. It is also important the Housing Executive can directly provide social housing in areas of high need when Housing Associations are unable to do so. The Housing Executive can build but it does not use this power because unlike Housing Associations, its borrowing would be deducted from the block grant by the British Treasury. The Treasury's policy on this issue contrasts with its treatment of public housing providers in Britain which can borrow without financial penalty.

To fulfil this role the Housing Executive should be put on a stronger financial footing. It is in a difficult financial position as a result of a Corporation Tax bill of up to £13m per year (again, which the Treasury does not impose on public housing providers in Britain) and repayments on over £400m of historical debt.

#### RECOMMENDATIONS

1. The Housing Executive should be given a legally-binding remit to address housing inequality.
2. An expert in Human Rights and Equality law should be appointed to the Board of the Housing Executive.
3. The Housing Executive should be equipped to build and borrow so that it can directly address unmet housing need.
4. The Housing Executive should be exempt from Corporation Tax and freed from its historical debt.

---

<sup>5</sup> Seven of the Board's ten members are appointed by the Communities Minister. The remaining three seats are appointed by representatives of Councils.



### 3 Improving New Build Targets

The overall requirement for new social housing is measured by a methodology called the Net Stock Model. This Model currently estimates a need for 1,500 new builds annually. An extra 500 homes are added to this figure to reflect the backlog on the waiting list, producing a total of 2,000. With 23,694 households in Housing Stress and a total waiting list of 37,611 the Net Stock Model target should be reviewed to ensure it is sufficient to progressively reduce Housing Stress. The new build target should be automatically included in the Programme for Government.

It is also important that local new build targets are in line with objective need. Using various supply and demand data the Housing Executive allocates the total new build target (currently 2,000 homes) to Council areas, with the exception of Belfast which is split into North, West, and South & East Belfast. The main difficulty is that the geographical scale used by the Housing Executive doesn't account for the realities of our divided society. For example, paramilitaries have drawn an 'orange line' around unionist communities in north Belfast, preventing nationalists from living in those areas safely. Local new build targets need to reflect the reality of where people can live without the threat of sectarian intimidation.

#### RECOMMENDATIONS

5. The Net Stock Model should be reviewed to ensure the new build target progressively reduces the waiting list and Housing Stress.
6. The revised new build target should be automatically included in the Programme for Government.
7. New build targets should be developed at a more local scale to reflect where people can live free from the threat of sectarian harassment.





#### 4 Funding an Ambitious New Build Programme

If the level of new build targeted in the Executive’s Programme for Government is to be delivered it must be adequately funded. New build is financed by the Department for Communities (through Housing Association Grant) and Housing Associations (primarily through borrowing) on a 50/50 basis.

It is widely accepted that Housing Association Grant must, at a minimum, remain at 50% of the total cost if social housing rents are to remain affordable. The Programme for Government should therefore fund the new build target on at least a 50/50 basis. This helps ensure that the level of new build required is fully delivered, rents are kept affordable, and public finances are used in the most efficient way.

The other side of the financial equation is to minimise the cost of Housing Association borrowing. One way of doing this is to maximise the use of the Executive’s Financial Transactions Capital (FTC). Part of the Executive’s block grant, FTC can be loaned to social enterprises, including Housing Associations, at low interest. The Executive retains a proportion of FTC repayments meaning that the finance can be reinvested for public benefit.

The cost of Housing Association borrowing can also be minimised by aggregating loans. Borrowing collectively leads to more competitive interest rates and cuts down on administration and management fees. The Housing Finance Corporate already performs this role, brokering low-cost credit that is in part from the European Investment Bank.

#### RECOMMENDATIONS

8. The Programme for Government new build target should be match-funded by Housing Association Grant and Housing Associations.
9. In order to minimise the cost of borrowing the Executive should use Financial Transactions Capital to fund new build.
10. Housing Associations should aggregate their borrowing via the Housing Finance Corporate.

## 5 Improving Access to Private Land

One of the main challenges in building social housing is acquiring land at a reasonable price. The Housing Executive can already vest land for social housing using Compulsory Purchase Orders but it rarely exercises this power. Compulsory Purchase Orders should be used more often in areas of high housing need but it should form one element of an array of powers available to the Housing Executive to assist with land acquisition.

One useful power is the ability to tax vacant land. Currently, vacant/derelict land is exempt from rates. This exemption shifts the cost of rates onto businesses using land productively and creating employment, while landowners leaving sites idle can wait for the market price to rise so that they can realise a windfall profit through no effort of their own. Taxing vacant/derelict land would incentivise landowners to use their land productively, and share rates payments more broadly. There should be an exemption for social housing providers who are assembling land for the legitimate purpose of preparing for development.

Two further useful provisions to acquire land are modelled on Scotland's Community Empowerment Act. The general aim of this legislation is to assist the third sector (community groups and social enterprises) own and/or manage assets, including land. The scope of the legislation could be widened to include all social housing providers, including a revitalised Housing Executive.

One provision would give third sector organisations and social housing providers the first option to buy private land and property that is for sale at market value. In practice this would mean a landowner must sell to a social housing provider if it is willing to match the private sector bid. In areas of high need a social housing provider should be able to purchase land at fair market price (excluding speculative planning gain).

The second provision would enable third sector organisations and social housing providers to compulsorily purchase (at market value) private land or property that is abandoned, neglected or causing harm to the community. This compulsory option would only apply after reasonable efforts have been made to purchase the asset on a voluntary basis.

For both provisions, social housing developments should have the first refusal on land located in areas with high housing need. All cases would also require the approval of the Communities Minister but in providing democratic oversight it is also important to prevent political and sectarian discrimination. Therefore the legislation should have a built-in presumption for social housing development. The Minister should only be able to refuse approval on the basis of strong public interest criteria and any such decision will be subject to judicial review.

Finally, a difficulty for Housing Associations is that sites they want to use for social housing can be expensive to decontaminate. A fund administered by the Housing Executive to cover the costs of decontamination for social housing development would resolve this problem.

## RECOMMENDATIONS

12. The Housing Executive should make more use of Compulsory Purchase Orders.
13. The Housing Executive should be empowered to tax vacant/derelict land.
14. As part of a Community Empowerment Act, third sector groups and social housing providers should have the first option to buy (at market value) private land that is for sale.
15. The Community Empowerment Act should give third sector groups and social housing providers the right to compulsorily purchase private land or property that is abandoned, neglected or causing harm to the community.
16. Under the legislation, social housing developments should have the first refusal on land or property in areas of high housing need.
17. A Minister should only be able to reject a social housing development if they can demonstrate a public interest in doing so.
18. The Housing Executive should set up a fund to pay for decontamination costs in sites earmarked for social housing development.



## 6 Better Use of Public Land

The Community Asset Transfer (CAT) policy was set up in 2014 to help community groups and social enterprises own and/or manage public land. In theory CATs should assist Housing Associations (as social enterprises) to acquire public land for new build but in practice there are a number of difficulties.

CATs only apply to assets deemed 'surplus' by public bodies. This excludes underutilised land which could be better used by community groups. Transparency on the use and location of all government assets will make it easier to identify land (both surplus and underutilised) for housing development. To this end government bodies should be legally required to map and publish a registry of all their land and buildings. This information could be collected and published by LPS in a consistent and accessible manner.

In some cases Departments have been extremely reluctant to transfer their assets for community use. Rather than community groups having to persuade officials, the burden of proof should instead be on officials to demonstrate why CATs should not proceed. Third sector organisations should be given the right to purchase, lease, manage or use public sector land and buildings, unless it is in the public interest to not do so. In defining 'public interest' a paramount consideration should be the extent to which the proposed use of the asset contributes to Programme for Government objectives, including the objective of reducing Housing Stress.

The primary aim of Department officials is often to maximise capital receipts from assets. However there are circumstances in which the social benefit that stands to be realised justifies transferring public assets (whether in the form of a sale or a lease) at a discount. This could involve for example lowering the cost of selling/renting public land earmarked for social housing. Any capital revenue forsaken in allowance for social value should be held at the centre so that individual Departments are not penalised as a result of implementing CATs. As with private land, social housing developments should have the first refusal on the transfer of public land in areas of high housing need.

### RECOMMENDATIONS

19. Social housing providers should be enabled to express an interest in all public sector land, not just land deemed 'surplus'.
20. Public bodies should be required by law to publicly map and register details of all their assets.
21. Community Asset Transfers should only be refused on the basis of clear public interest.
22. Guidance should provide for public assets to be transferred into community use at a discount, commensurate with the social value.
23. Social housing developments should have the first call on Community Asset Transfers in areas of high housing need.



## 7 Summary of Recommendations

### REVITALISING THE HOUSING EXECUTIVE

- The Housing Executive should be given a legally-binding remit to address housing inequality.
- An expert in Human Rights and Equality law should be appointed to the Board of the Housing Executive.
- The Housing Executive should be equipped to build and borrow so that it can directly address unmet housing need.
- The Housing Executive should be exempt from Corporation Tax and freed from its historical debt.

### IMPROVING NEW BUILD TARGETS

- The Net Stock Model should be reviewed to ensure the new build target progressively reduces the waiting list and Housing Stress.
- The revised new build target should be automatically included in the Programme for Government.
- New build targets should be developed at a more local scale to reflect where people can live free from the threat of sectarian harassment.

### FUNDING AN AMBITIOUS NEW BUILD PROGRAMME

- The Programme for Government new build target should be match-funded by Housing Association Grant and Housing Associations.
- In order to minimise the cost of borrowing the Executive should use Financial Transactions Capital to fund new build.
- Housing Associations should aggregate their borrowing via the Housing Finance Corporate.

### IMPROVING ACCESS TO PRIVATE LAND

- The Housing Executive should make more use of Compulsory Purchase Orders.
- The Housing Executive should be empowered to tax vacant/derelict land.

- As part of a Community Empowerment Act, third sector groups and social housing providers should have the first option to buy (at market value) private land that is for sale.
- The Community Empowerment Act should give third sector groups and social housing providers the right to compulsorily purchase private land or property that is abandoned, neglected or causing harm to the community.
- Under the legislation, social housing developments should have the first refusal on land or property in areas of high housing need.
- A Minister should only be able to reject a social housing development if they can demonstrate a public interest in doing so.
- The Housing Executive should set up a fund to pay for decontamination costs in sites earmarked for social housing development.

#### **BETTER USE OF PUBLIC LAND**

- Social housing providers should be enabled to express an interest in all public sector land, not just land deemed 'surplus'.
- Public bodies should be required by law to publicly map and register details of all their assets.
- Community Asset Transfers should only be refused on the basis of clear public interest.
- Guidance should provide for public assets to be transferred into community use at a discount, commensurate with the social value.
- Social housing developments should have the first call on Community Asset Transfers in areas of high housing need.



[www.sinnfein.ie](http://www.sinnfein.ie)