

Written statement to the Assembly by Social Development Minister Nelson McCausland on Fundamental Review of the Northern Ireland Housing Executive (NIHE)

Mr McCausland (The Minister for Social Development): I wish to make a statement to the Assembly on my proposals for a Social Housing Reform Programme.

A fundamental review of the NI Housing Executive by PricewaterhouseCoopers (PwC) in 2011 found that the current model and structures no longer allow optimal delivery of either strategic housing or landlord services. I commissioned PwC to undertake a further series of meetings with stakeholders and the general consensus from participants was that the “Do nothing” option was not a realistic solution.

Whilst the Northern Ireland Housing Executive has had a long history of delivering social housing and has enjoyed the widespread support of Northern Ireland society, the current model is simply not sustainable, does not make best use of public resources nor does it allow sufficient flexibility and focus on supporting tenants and meeting their needs now and in the future.

My proposals on the way forward, which the Executive has now agreed, set out the strategic direction for the way social housing will be delivered in Northern Ireland. They aim to create effective structures for the social housing sector that will:

- put in place a sustainable housing system fit for the 21st Century;
- support business improvements in the social housing sector for the benefit of tenants and taxpayers;
- develop of a sustainable financing model for social housing that provides access to private funds to allow future investment;
- improve regulation and inspection of landlords; and
- provide effective services and good quality housing for tenants.

In effect these proposals not only build on the success of the past, but create structures that will ensure social housing delivery is on a sound basis to build for the future.

Key proposals

My Department will have responsibility for overall Housing Strategy, policy, legislation and funding – setting the strategic vision for housing in Northern Ireland and developing the policies which underpin that vision. In addition, there will be significant enhancement of the Department's Regulation & Inspection Unit and function.

The Department will be supported in the delivery of strategy and policy by a Regional Housing Body staffed by housing professionals to deliver regional housing services, programmes and operational strategies, in effect the non-landlord functions of the Northern Ireland Housing Executive.

The development of a new landlord function out with the public sector focusing on service to tenants and enabling access to private funding to allow for suitable investment.

The establishment of an Independent Social Housing Rent Panel which will agree annual rent levels based on a rental policy.

There is a need to consider the role of the Housing Council in the context of the proposed new housing structures; the role of Assembly scrutiny; and the Local Government Reform proposals and future functions of Councils. I propose, therefore, following consultation, to dissolve the Housing Council.

Going forward, I will bring forward proposals to ensure that the Regional Housing Body engages formally and works closely with the new 11 councils given in particular their new role for both land use and community planning.

Next steps

These proposals set out a compelling and sustainable vision for new structures to support the future development and delivery of social housing in Northern Ireland.

I acknowledge there is much detailed work to be done in taking these proposals forward. We can now move onto detailed consideration, design and engagement on how we can realise this vision. A change of this significance requires a detailed programme of projects which will deliver the necessary reform which will be supported by appropriate structures to involve all key stakeholders. The first phase of the programme will focus on the detailed design of each of the key strands of the proposed delivery model. Each project strand within the programme will prepare, design and develop operational solutions to support the proposed delivery model and each of these will be subject to consultation. The time-critical issues for the first phase will be the urgent consideration and evaluation of legislative changes which will be required to support the new delivery model.

I and my Department will work closely with the Social Development Committee in their scrutiny role in relation to the development of my proposals with the aim of maximising consensus and addressing any concerns that my Ministerial colleagues hold. I believe it is key for stakeholders to be consulted throughout the programme, therefore, processes for communication and engagement with staff and stakeholders will be an important part of the overall work programme.