



Committee for Social Development

# OFFICIAL REPORT (Hansard)

Social Housing Reform Programme: DSD  
Briefing

4 July 2013

# NORTHERN IRELAND ASSEMBLY

## Committee for Social Development

### Social Housing Reform Programme: DSD Briefing

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#### **Members present for all or part of the proceedings:**

Mr Alex Maskey (Chairperson)  
Mr Mickey Brady (Deputy Chairperson)  
Ms Paula Bradley  
Ms Pam Brown  
Mr Gregory Campbell  
Mrs Judith Cochrane  
Mr Michael Copeland  
Mr Sammy Douglas  
Mr Mark Durkan

#### **Witnesses:**

Ms Deirdre Ward	Department for Social Development
Mr Jim Wilkinson	Department for Social Development

**The Chairperson:** I formally welcome Jim Wilkinson and Deirdre Ward to the meeting; you are very welcome. I know that you have a number of colleagues with you.

Obviously, people are aware that there was a 'Spotlight' programme last night that has raised quite a public response. I have agreed with the Minister that he will be here at 11.00 am to speak to the Committee about that.

This is an important item of business, as are the other items of business on the agenda, and I know that Jim, Deirdre and others have prepared for it. However, I have to ask for your indulgence. I propose to deal with this item of business and to work our way through it, but if we do not complete it, I will need to suspend no later than 10.55 am to allow us to have the Committee restructured for the Minister to come in, given the importance of the situation that we find ourselves in.

Are members happy with that? We might get through the business; I do not know —

**Mr Douglas:** I agree that it is a very important issue, but if we do not get it finished today, what is the timescale for meeting Jim and his colleagues again?

**The Chairperson:** Jim, have you a view on that?

**Mr Jim Wilkinson (Department for Social Development):** This morning is primarily about scene-setting and letting the Committee know where we are, rather than, substantively, coming to you with an issue around the functions of the regional housing body or the structure of landlords, for example.

We might have sufficient time today. One of the key questions for us is this: how does the Committee want to engage moving forward? We might be able to complete the business within the timescale.

**The Chairperson:** OK. We will work our way through and see how far we get.

**Mr Campbell:** For clarity, I have no difficulty with any of that, but you said that you and the Minister "agreed" that the Minister would come in. I think that it is right, appropriate and proper that that should be the case, but that is not how it was reported on the BBC this morning. Obviously, we cannot be held accountable for the accuracy or inaccuracy of BBC reports, and we will maybe go into that, but, this morning, the BBC reported that you had summoned the Minister.

**The Chairperson:** I did not hear that BBC report this morning; I did not hear any news report this morning.

**Mr Campbell:** I did, Chairman.

**The Chairperson:** That is fair enough. I issued a statement; I cannot remember what time I did that, but it was certainly before midnight. I confirmed to the Minister, around 1.30 am, I think, that he would attend the meeting this morning. I cannot dictate to the BBC how and when it puts out its bulletins.

**Mr Campbell:** That is why I —

**The Chairperson:** I would have sought to summon the Minister to the meeting.

**Mr Campbell:** My understanding is that the Minister offered to come.

**The Chairperson:** Yes; after I contacted his office.

**Mr Campbell:** My understanding is that the Minister offered to come.

**The Chairperson:** Yes, and I appreciate that, and I will show you the text message.

**Mr Campbell:** That is not what was reported this morning.

**The Chairperson:** My statement was issued before I dealt with the Minister or his adviser. I am gladly acknowledging that I said that, and I will show you the text messages if you wish. The Minister did offer, and I advised his adviser that I had no alternative but to have the Minister come to the Committee, but, gratefully, we did not have any argument about that because the Minister then eventually came back and said that he would be at the meeting this morning.

**Mr Campbell:** You issued a statement before that.

**The Chairperson:** Yes, before I dealt with the Minister. I did not get confirmation from the Minister until 1.30 am.

**Mr Campbell:** Well, I am sure that we will deal with that at some point as well.

**The Chairperson:** You can raise that and you have raised it, fair enough, but I will make no apology on behalf of the Committee for saying that this is a very important public matter that has to be addressed today.

**Mr Campbell:** I have no difficulty with that, Chairman. That is not the point, frankly. The point is we had a report this morning saying that the Minister was "summoned", despite the fact that the Minister had volunteered to come. That was not reported.

**The Chairperson:** I have subsequently spoken to a journalist from the BBC and a journalist from UTV and I advised them that I and the Minister had agreed: that was the term I used. I explained to the journalists I spoke to this morning that the Minister and I had agreed that he would attend the meeting this morning. So, it might help to look at the sequence of the events, but any commentary that came from me said after I had confirmation from the Minister that he would be here, I stated very clearly that

the Minister and I had agreed, which we have, but it was after the statements were issued and other public comment was made as well.

OK, moving on to the substantive item, and we can deal with that later on if you wish.

**Mr Wilkinson:** I thank the Committee for inviting us here today to provide a briefing on the social housing reform programme. I will give a short background. As you are aware, the Minister announced at the start of the year a series of proposals to reform the social housing structures in Northern Ireland. The aim of the reform has been to improve social housing structures, make the system financially sustainable but also more responsive to needs, ensure that there is a well-maintained housing stock and increase investment in social housing more generally.

To touch briefly on the Minister's key proposals, as is the case in most Departments, we will have responsibility for a housing strategy, policy, legislation and funding, and that will follow the publication of the strategy early this year. We have an enhanced regulation and inspection role in relation to any of the new housing structures; there will be an independent social housing rent panel; a regional housing body to deliver the non-landlord functions of the Housing Executive; and a new landlord function that will be outwith the public sector and positioned within the housing association movement. We will also have to look at how these structures interact with local government moving forward.

The Executive agreed to the further exploration and development of these proposals, and the Minister stated that the proposals were to be a starting point only for reform. He weighted it in a way that no prior decisions had been made on how the proposals would be developed and the detail around the structures, and was committed to a programme of analysis and stakeholder engagement with the aim of reaching consensus on the implementation of the proposals.

The Department welcomes the opportunity to provide the Committee with an update. This is really an update about how the programme has been structured and how we intend to move forward. At this stage, we have not got detailed proposals to bring forward. A programme team comprising staff from the Department for Social Development (DSD), the Housing Executive and the Strategic Investment Board (SIB) has been established to co-ordinate, direct and oversee the implementation of projects. The programme is overseen by a programme board that has membership again from the Department for Social Development, the Northern Ireland Housing Executive, the Department of Finance and Personnel (DFP) and the Strategic Investment Board; it is very much a collaborative approach. It has now met on several occasions and had endorsed the programme structures and governance arrangements, the preparation of an outline programme plan and timescales and the establishment of project teams. As well, an expert panel has been established to support the programme board. This is a voluntary panel of industry-related experts given their independence from government and their expert knowledge in the housing and finance or legal fields, and will act as an invaluable quality assurance mechanism as options and proposals are developed.

I will touch on some of the key projects. Rent regulation and inspection is being led by DSD. The departmental functions, governance arrangements and local government engagement are again being led by DSD. The regional housing body project is led by DSD but all those have input from the Housing Executive; indeed, staff are interspersed across those projects. The landlord restructuring project is being led by SIB. Given the financial and technical complexities of the stock transfer, it was agreed that SIB would lead the landlord restructuring project. It supports the public sector in the delivery of infrastructure projects and the asset management unit works closely with the Executive to implement their asset management strategy. There are also two enabling projects: a human resources project led by the Housing Executive, and a legislation project — should any legislation be required — led by DSD.

There are three linked programmes that we have to take account of because they impact on the structures. Those are universal credit, the review of public administration (RPA) and a Housing Executive transition programme to look at its current structures to make it better suited to deliver business today and moving forward. The projects are to be taken forward in three key implementation phases. The first will deal with the development of strategic options and key deliverables. It is about getting agreement on what we want to achieve from each structure and what we will judge their success by. The aim is to develop and secure agreement for that model by 31 March 2014. That is about taking it step by step, going through each element of the design and saying what we want to achieve. Tranche 2 is, having got agreement on what we want to achieve from each element, to bring forward a detailed structural operational delivery design model, which is the how to achieve it. The aim is to have developed and secured stakeholder agreement and consensus for those detailed delivery arrangements by December 2014. Tranche 3 is moving from agreement on the detailed

design of the structures and how they will function into implementation. That will be ongoing from January 2015 to March 2017, and part of the reason for that is that, as we get into the programme, it is clear that any new structures, particularly those structures that will move outside the public sector, need to be given the time to get their finances and legal advice in place and to get their boards, and so on, in place. It will move forward from 2015.

A strategic outline case has been developed and is with DFP for consideration and approval. We are also looking at the standing independent assurance process and using gateway reviews, which the Committee may be aware of from the universal credit approach. We are in tranche 1, and part of that has been the set-up. That has just been completed, and we are starting to get all the necessary pieces in place. The next step is research and exploration of proposals and engaging with stakeholders about what we want to achieve. The series of research visits to other jurisdictions in the UK is of particular note in that regard. The aim of those is to discover best practice through engagement with housing counterparts elsewhere and with regulators and housing associations. The first of those exploratory visits took place over the past two days in London, where we met with the Homes and Communities Agency, some of our expert panel and visited some large housing associations. We took away from those discussions what worked well and what did not work well elsewhere, and we want to use the lessons learnt to inform our thinking and help shape a suitable approach for Northern Ireland.

Since the announcement of the reform, the Minister has said that they cannot and will not be developed in isolation. There has been a range of stakeholder engagement, and a high-level stakeholder engagement strategy that sets out our clear programme of communication objectives has been developed. Detailed communication plans, which will be at a programme and project level, are being developed, and those will consider how each of the projects will take through their own development work and engage with key stakeholders.

I will touch on some of the groups that have been discussed to date. We have talked to the Northern Ireland Housing Executive at chief executive, senior management and board level. We have met tenant representatives, including the central housing community network, the housing council and local trade unions. A number of councils have asked for specific briefings. We had an initial briefing with the Committee, and this session will be one of many follow-ups. Work is ongoing to formalise engagement arrangements with key stakeholders, and we anticipate that those will be finalised over the next week. The Housing Executive is working in partnership with the programme to ensure staff and tenants are kept fully informed as the programme develops, and we are looking at developing a staff and tenant newsletter. The central housing community network has agreed to act as a forum for engagement with existing Housing Executive tenants and with the programme to put forward their views, and we have already had a very useful meeting where some of the key issues that they want to see from the structures have been put forward. A trade union forum has been established as a vehicle to facilitate continuous dialogue, and a housing council subcommittee has been established to look at arrangements for local government engagement. We are very keen that all those structures are in place, and we are committed to working with them.

We particularly welcome the Committee's view on how you wish to engage with us at programme level and on individual projects and at what decision points you want us to bring material to the Committee. One area that we are very keen to explore is how the social landlord operates in other jurisdictions and what services they can deliver for tenants in the wider community over and above simply the maintenance of properties and newbuild. Some of the visits that we have had will be valuable to the wider stakeholders as we move forward to ensure that tenants have the opportunity to talk to other tenants and perhaps political representatives about how they have engaged with the structures that operate elsewhere in the UK. The Minister wrote to the Committee about his recent visits to Manchester and Liverpool and offered to facilitate such visits if the Committee would find them of value. We are happy to facilitate some of those meetings because we will be taking them forward and there is no reason why there cannot be joint meetings.

I thank the Committee for giving us the opportunity to provide this update on the programme, and I welcome the opportunity to address any questions that you may have.

**The Chairperson:** Thank you for that. The Committee agreed to undertake substantive work around housing on an overarching basis, to match, in a way, the work of the Department, which is also a holistic exercise. We intend to have our second major stakeholder event in maybe late September. We do not want duplication. It would be foolish to waste people's time. However, we will want to work on a collaborative basis with the Department on this. I suggest that we work out the detail of that

because a number of meetings will be hosted. Perhaps we could work out in advance between ourselves who would be best to attend those events to make best use of them.

**Mr Wilkinson:** We are keen to say, look, we published the strategy, a lot of actions are coming from it, and we are happy to work collaboratively on some of those. Certainly, repossession is one area for joint working. There is also a structural one and it is important that we move forward on all those.

**The Chairperson:** If members are content, we can endorse that as a broad approach.

**Mr Brady:** Thanks for the briefing. You said that one of the Minister's key proposals is that the Department will have responsibility for overall housing strategy, policy, legislation and funding. Does that mean that the Department is taking complete control of the essential elements of housing?

**Mr Wilkinson:** No. That offers clarity on what we do at the moment. The Department published the housing strategy. Some of the key deliverables — if you like, the operational strategies that will implement and achieve those goals — fall to the regional housing body. It is just clarifying the relationship for strategy, policy, and finance and funding, which are government and departmental functions. The operational delivery of those strategies at a regional level falls to the regional housing body.

**Mr Brady:** In recent statements, the chair of the Housing Executive laid out his vision of housing structures. At a recent conference, a senior executive reiterated those, so it comes across as almost a done deal. Will you confirm that it is not a done deal?

**Mr Wilkinson:** Absolutely; no, it is not. What I can confirm is that we put the process in place to work out proposals but the first step in the proposals is getting agreement on what we want to achieve, and then the method to achieve it. We recognise the Housing Executive board as a key stakeholder but its proposals will come in just like input from other stakeholders. The Minister indicated that those decisions will be reached through the Committee and with a view to reaching consensus all the way through to the Executive.

**Mr Brady:** I have a question that is important for tenants because it is about the alignment of rents between housing associations, the Housing Executive and the private rented sector. There is quite a degree of disparity. Can you foresee, when all that is sorted out — or, hopefully, even before — an alignment of those rents?

**Mr Wilkinson:** It is hard to anticipate where it will go. With current rent-setting regimes, private landlords set their rents as they see fit. However, if a tenant is in receipt of housing benefit, there is a maximum housing benefit payment. Housing association rents are set by the housing associations, albeit that the Department writes to them each year and asks them to contain them within a certain envelope. Housing Executive rents are set by the Department.

There are three regimes. As part of the reform programme, we want to look at the regime that applies across the social housing sector. As we engage with stakeholders, we will see where that takes us.

**Mr Brady:** Regulation of the private rented sector may be urgently needed.

**Mr Wilkinson:** You will be aware of the housing strategy, and this is where there are clear linkages. Just because we are doing a reform of structures does not mean that we have a lot of policies and initiatives that we want to work through. The Committee made its views clear on the actions that we put out to the private rented sector, and it wanted those accelerated. That is one action that we amended and the action plan did it.

There will be a review of the private rented sector and its regulation in the housing strategy. That is why we have strands of work to deal with that. This is about structures. Although they are linked, they are not all dependent on the same time scales.

**Mr Durkan:** Thank you, Jim and Deirdre. Mickey touched on a point around the Minister's key proposal for the Department to assume responsibility for strategy, policy legislation and funding. One of the concerns aired in Committee and in the Chamber previously when discussing reform was the potential repoliticisation of housing, if you like. I have some concerns that the Department, under a Minister assuming so much responsibility, might leave the door open for that to happen, and that is the

last thing that anybody would want. Can we have an assurance that there will be absolutely no move away from the current policy of building and allocating housing based on demonstrated need?

**Mr Wilkinson:** I think there are a lot of Oxford English Dictionary definitions of strategy, policy and all of that, and there was some confusion. The Department published a housing strategy, which was subject to scrutiny and consultation. The Department sets all housing policy, provides strategic funding and does the legislation. The regional housing body is tasked with delivering regional strategies to oversee those. In the Minister's previous announcement, when we were able to get some detail on the regional housing body, it was clear that the regional housing body would retain some responsibility for allocation and assessing need and the social housing development programme. There are no proposals to change any of those strategic relationships. It is more about strategy at the very high level, just as Welsh Ministers and Scottish Ministers publish an overall housing strategy. Funding, legislation and policy are always matters that rest with the Department. We will maintain a regional housing body that will provide the regional operational strategies to deliver those, including allocations, assessment of need and all those functions.

**Mr Durkan:** You told Mickey that there is no done deal on taking the new landlord function outwith the public sector and positioning it within the housing association movement. Can it be said that you cannot specify that that will be within the Northern Ireland housing association movement?

**Mr Wilkinson:** We have been tasked with, first of all, consulting on what outcomes people want to see from that movement into the housing association and, secondly, consulting on how to do it. We want to make sure that all the stakeholders tell us what they want to achieve, and the second step will be how to do it. The Minister has said that, at this stage, nothing is ruled in or ruled out, but he has said that, when you look across the UK you can see that the housing associations are usually significantly larger entities than the ones we have in Northern Ireland and that, in the UK, including Scotland and Wales, when that has been done in the past by councils, they have, by and large, created new housing association bodies to take the stock, rather than transfer it to existing bodies. That is part of the detail to work through.

**Mr Durkan:** Thanks, Jim. On point 10, around the principal projects, you give the lead organisations for each of those. You said that there would be an input from Northern Ireland Housing Executive. Can that be qualified as to how much input and what nature of input?

**Ms Deirdre Ward (Department for Social Development):** The chief executive of the Housing Executive is on the programme board, which directs the programme moving forward, but apart from that, we have agreed that we will be discussing it with the Housing Executive's board on a three-monthly basis, as well as regular ongoing discussions that the chair and vice-chair have with the Minister and the Department. Additionally, there will be staff in the regional housing body project team and the landlord project team from the Housing Executive. The Housing Executive is running the human resources project that moves forward and there is close contact in relation to communications and how we do stakeholder engagement. So there are Housing Executive staff who will be sitting in the programme helping to move forward as we go towards detailed design.

**Mr Wilkinson:** It is very much focused on getting the expertise from where it sits and bringing it into the project. A lot of the expertise is in the Housing Executive, so it is coming in.

**Mr Durkan:** Finally, Chair, the Minister indicated previously what I thought was a highly ambitious time frame in which he hoped to implement these changes. Are you in a position to say whether that is still the plan?

**Mr Wilkinson:** We said that we still believe the target of implementation for 2015 is possible. In our definition of implementation, we are saying that we would have identified all the new structures and we would have developed the business plan and funding. Therefore, we would know the funding regime and the staffing levels for each of the new structures and business plans that would be developed. However, as we have moved forward, we have seen that it can take time, especially where there is the new body, say the landlord body, or bodies, whether it is going to be one or two or whatever, subject to agreement. They need time — even once they have a management board and decide a plan — to secure the necessary private financing for their new organisations. We are saying that there will be a lead-in from agreeing, by 2015, all the structures, what they are all going to do, how they are structured, the resources that they have and the staffing levels that they have, the legislation to implement them, and then a time for them to be set up.

**Mr Douglas:** Jim, the key proposals will, obviously, have far-reaching implications, not just for the Housing Executive but for tenants right across Northern Ireland. We are now in what I would call the transitional period. How do we manage that transitional period where some of these proposals will come to fruition, I would imagine, with the present day-to-day work of the Housing Executive? I suppose that it is a bit like selling a house: you sell it, and you are not going to do anything to it until the buyer takes it on. The Housing Executive is a big organisation, and there are things happening in the Housing Executive. Some of the works that are happening at the moment might undermine part of the new strategy.

**Mr Wilkinson:** This is where I say that nothing happens in isolation. I mentioned to the Chair that we have a strategy and an action plan. Key elements of that strategy and action plan, over the next two or three years while this is being worked up, are to increase investment and see how we deliver more new social homes. At the same time, we have set targets for the Housing Executive — for example, the double-glazing programme and the maintenance programme — and those continue to be funded and monitored. We are working very closely with the Housing Executive management team. There is a large piece of work to be done over the next two or three years, and that cannot slip. Part of the Housing Executive's restructuring and its transformation director activity is to get the resources in to make sure that it can better address the day job while preparing for the future. The whole plan is that there will be no slippage in activity or delivery and that this will all be complementary.

**Mr Brady:** You mentioned allocation. Will housing allocation be based on objective need, whatever strategy is put in place?

**Mr Wilkinson:** Certainly; that is the current process, and we are advised on that. You will be aware that, as part of the strategy, we are getting some research done. Obviously, we will bring that forward for discussion as well.

**Ms Ward:** To the Committee.

**Mr Campbell:** On housing allocation, has there been any suggestion or hint of any departure from the long-established principle of housing being allocated?

**Mr Wilkinson:** None.

**Mr Campbell:** I have not heard of any.

**Mr Wilkinson:** We have been quite clear that that function rests with the regional housing body.

**Mr Campbell:** Nobody has ever suggested that it should be otherwise?

**Mr Wilkinson:** No.

**Mr Copeland:** Getting down to the nuts-and-bolts mechanics of the interface between people who need housing and those charged with providing housing, whosoever they may be now or in the future, if you ask anybody in Belfast, certainly in east Belfast, where they go to see about a house, the answer is the Housing Executive, and yet the Housing Executive has not been allowed to build houses for very many years. For me, dealing with the Housing Executive, whether in south and east or north and west or Dungannon, Downpatrick or Newtownards or any of the ones that I have dealt with recently, exactly the same process is carried out in exactly the same way by people who all appear to be thinking in exactly the same way. Dealing with any one of the myriad housing associations by comparison is tedious and difficult, just because they are different organisations, they react in different ways, their personalities change and it is hard to get to know people. The important thing is to standardise the approach to the interface between the people in need and those with the ability to satisfy that need. I do not know how you will do that.

Earlier, you said that the Housing Executive, with 90,000-odd properties, was bigger than any of the likely whales that will swallow it, so it may well be some other organisation. If several different organisations are responsible for the allocation of housing — I accept all of that about points and need — and have things available to them, such as management transfer, which, in some cases, elevates them above allocation on the basis of pure need because of perceived need, my view is that there has

got to be a standard process and it has got to be the same no matter where you go, so that everybody is on a level playing field. I do not quite know how you would ever go about doing that.

**Mr Wilkinson:** What we are trying to achieve in this phase is to engage with stakeholders and ask them what they want to see being achieved by the changes. We have heard from various groups, such as tenants' organisations, who have said that what they want to ensure is that rents are more affordable. They also want to ensure that there is local contact and that there is a definite contact point for them in the social-housing provider. We have heard from local politicians that they want to ensure that the new organisations are obliged to have appropriate arrangements for making contact. What we are trying to do is to gather all that people want to be achieved, including standardisation, and say that, "This is what you said you wanted. Can we confirm that that is what we want to achieve from whatever structures are designed? Right: here are the options for ensuring that we get there." That is what we will explore.

**Mr Copeland:** That leads me to the second part of my question. Housing associations are the buzzword now. Are they for the future? We are now getting the Housing Executive divided up and reinvented in some way. It will have 90,000 properties. What does the future hold for the small housing associations that have not yet been brigaded? In comparison of size, the biggest of them is a minnow compared with what the Housing Executive might become no matter what happens.

**Mr Wilkinson:** The housing association movement as we have it is here. It is in place, and it is providing new homes across the piece. We regulate and inspect those associations. Some of them provide very good services to tenants, and we get information back on that. All that I can say is that, across the UK, although there are examples of the largest associations delivering the bulk of programmes, they do have the same scale. Some housing associations go from 500 properties to 5,000, 25,000 and 30,000. They are all accommodated within that broad remit. Obviously, increasingly, the bigger developer ones are those larger associations because they attract greater wealth and investment.

**Mr Copeland:** Overheads for a larger association are not necessarily proportionately greater than they are for a smaller one.

**Mr Wilkinson:** Yes.

**The Chairperson:** Mickey, do you want back in to make a brief point?

**Mr Brady:** No.

**The Chairperson:** OK. Jim, I want to make a couple of points that go back to the issue of housing need. It has been raised here. In fact, we dealt with it last week. I am clearly of the view that we are not meeting housing need. Far too many people have been waiting on the housing list for a home for far too long. To me, it is, quite simply, black and white: housing need is not being met. No later than last week, we discussed that the Housing Executive had been surrendering millions of pounds in the past couple of monitoring rounds; money that could have been used to build houses to meet that housing need. We are not meeting the need. I want to make the point that, as we move forward, particularly with regard to social housing reform, housing need is not an aspiration. It is an obligation, which has to be met. That has to be factored in.

I have one question on stock transfer. We have been advised of a fairly significant number of properties being transferred to housing associations. Some time ago, the Committee took the view that we would be concerned that any fragmentation, breaking up, selling off or transferring of stock does not necessarily sound like good business to us. If you are looking to transform an organisation, perhaps into another housing association or bespoke structure, post the Housing Executive, how does the stock transfer square with that? I have to say that, personally, I would be very concerned about it. Can you give us some information on how much more of that is coming down the track?

**Mr Wilkinson:** The stock transfer programme that was in the housing strategy was targeted on those properties in the Housing Executive's stock that needed most improvement, for which there was no capital finance available. So they were properties that needed significant improvement and were identified as a priority. The Housing Executive identified around 2,000 or 2,500 properties in that category. The simple aim of the stock transfer programme was to offer the opportunity to those tenants, should they wish, to move to a housing association, so that those repairs and improvements

could be done now with the housing association levering in investment. That develops on the pilot that took place in the north-west because it proved to be successful. That is a very modest number of the 90,000-odd bought stock. Indeed, arguably — I know that you have a business case — you increase the value of the 90,000 if you get rid of the liabilities. It is, however, tenant focused primarily and about saying that those tenants' houses have been identified as needing significant capital investment for which there is no funding and that there is an opportunity, because we have tested it, that those homes can be improved by a housing association's levering in finance, and asking those tenants whether they wish to take that opportunity now. That lies at the heart of the programme.

**The Chairperson:** OK. As no other members have indicated that they wish to ask questions, I, again, thank you, Jim and Deirdre, for being here this morning. I appreciate your efforts to get through the report early. I do not mean that in any political way, but with regard to the Committee's scheduling this morning. Obviously, we have agreed that we want to work collaboratively as we go forward to look at housing from an overarching point of view. In early September, the Committee will have a planning day. We will want to speak to you about that, so that in building a forward work programme, we can look at the programme of work and the outworkings of the programme boards on particular tasks. We have already agreed that we would do that co-operatively.

**Mr Wilkinson:** Absolutely.

**The Chairperson:** Thank you very much for that, Jim and Deirdre.