



Committee for Social Development

# OFFICIAL REPORT (Hansard)

Housing (Amendment) Bill:  
Department for Social Development

12 November 2015

# NORTHERN IRELAND ASSEMBLY

## Committee for Social Development

Housing (Amendment) Bill: Department for Social Development

12 November 2015

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

Mr Fra McCann (Deputy Chairperson)  
Mr Jim Allister  
Mr Roy Beggs  
Ms Paula Bradley  
Mr Sammy Douglas  
Mrs Dolores Kelly  
Mr Adrian McQuillan

**Witnesses:**

Mr Stephen Baird	Department for Social Development
Ms Maryann Dempsey	Department for Social Development
Ms Avril Hiles	Department for Social Development

**The Deputy Chairperson (Mr F McCann):** I welcome the following officials to the meeting: Maryann Dempsey, deputy principal, private rented housing; Mr Stephen Baird, policy and legislation manager; and Ms Avril Hiles, private rented housing officer. I advise members that the purpose of today's session is to provide the Committee with an opportunity to explore outstanding issues with the Department before the Department presents its final position to the Committee, which will formally run through the Bill next week.

The first issue is on extending the provisions of clause 1 to housing associations and councils. Can I ask the Department to speak briefly to its position on the sharing of information relating to empty properties with housing associations, private landlords and councils?

**Ms Avril Hiles (Department for Social Development):** The empty homes strategy, which is the purpose for which we want this information shared, does not directly affect the associations. It is the Department and the Housing Executive that need the information, so there is no need to share it with those other bodies.

**The Deputy Chairperson (Mr F McCann):** Are there any comments from members?

**Mr Beggs:** You say that nobody else needs to have the information: surely that information would be very useful to housing associations and, indeed, private landlords, if a mechanism could be found to share it safely.

**Ms Hiles:** The information will come directly to the Housing Executive from Land and Property Services (LPS) if it asks for it. As we have been implementing the strategy, the Housing Executive has then been sharing whatever information it has on the property to see whether a housing

association is interested in bringing that property back into use. There are already mechanisms that are working, and there is no need to share data with them on the owners. It will be when the Housing Executive makes contact with the owners, and the owners are willing to sell or rent privately, that it will set up with the housing association or a private landlord and match the two. It already has a matchmaker system set up electronically, so the sharing of information on who the owners are does not need to be shared officially with a housing association or a private landlord. That will all be done through the Housing Executive.

**The Deputy Chairperson (Mr F McCann):** I have one point on that, and I know that this has probably been a sore point for a considerable time since 2008-09, when it was estimated that there were 40,000 empty homes. Can we say how many empty homes there are? After any exercise undertaken through this, would we be in a better position to act on it?

**Ms Hiles:** The only information that we have had on empty homes is what has been coming from DFP's Land and Property Services. I think that the latest figures that it produced in response to Assembly questions is about 24,000 to 28,000 empty properties. In the absence of a data-sharing arrangement, the Housing Executive and the Department have been trying to get Land and Property Services to work with us and issue letters on our behalf to their known empty properties. As a result of an exercise in 2014, only 1,200 empty properties were reported to the Housing Executive. That is what they are working through at the moment.

**The Deputy Chairperson (Mr F McCann):** Thank you. Could any alternative sources of information be used and brought into play, such as the electricity companies or the Land Registry office? There must be a wealth of information out there, somewhere. All of us complain about empty houses. All information would be good.

**Ms Hiles:** There is a cost to getting information from Land Registry. That is why we are looking to Land and Property Services to share the information through the data-sharing arrangement, at no cost. As I said, there are other ways of trying to identify owners through the reporting mechanisms. We have also tried NIE on the sharing of information. I have a letter in front of me from NIE that says that the NIE is prohibited, under data protection, from sharing any information on known owners.

**The Deputy Chairperson (Mr F McCann):** Do members have comments? That is a crucial point, when you are —

**Mr Beggs:** NIE says that, under data protection, it cannot share information. Surely, if legislation was passed in some form and an appropriate protocol was set up, it could be possible to share information under data protection.

**Ms Hiles:** That is one of the things that we will probably look at, once we get the data-sharing arrangement in place, but we may not need to do anything else. If we cannot get this legislation through and if we are going to need additional legislation, what is the chance of getting another piece of legislation through outside the Department?

**Mr Beggs:** Have you doubts about getting the legislation through?

**Ms Hiles:** No, hopefully not. Contacting the owners is a big stumbling block in implementing the empty homes strategy.

**Mr Beggs:** You could have had a clause with that in it, and, if people objected, that clause could be voted out, strengthened or changed. Why did you not have a clause enabling that to happen?

**Ms Hiles:** We did not think that we would need anything additional to this exercise.

**Mr Beggs:** Do you think that you will need it to widen the exercise so that we will be able to identify properties that claim to be vacant but which are occupied, and, alternatively, properties that are claimed to be occupied but which are just postal addresses?

**Ms Hiles:** If Land and Property Services is telling us that it has information on the 24,000 empty properties, and we are getting information on those, it will be quite a lot for the Housing Executive and the Department to work through, and they would not need any further information.

**Mr Beggs:** How do you know that? Surely, many the 24,000 empty properties may be substandard, many will be in rural or urban areas, but not of a standard that people can live in. So it may be nothing to do with the quality of the house and whether it is being lived in and whether electricity is being used. So why do you feel that you do not need to have a clause enabling the information that might be available from NIE to be shared?

**Ms Hiles:** It is probably something that we did not explore further when we knew that we did not have the legal right to that information.

**Mr Beggs:** I think that it is something that the Committee needs to pursue.

**The Deputy Chairperson (Mr F McCann):** I think that it is. Getting that sort of information needs to be made easier, better and more efficient.

**Mr Beggs:** Mr Chairman, if I have picked it up right, there is consideration of the current legislation, and then further legislation will be required. It will come up again at some point in the future. Why not put the clause in now, and then there will be no doubt about data protection and the sharing of information? It would be sorted.

**The Deputy Chairperson (Mr F McCann):** It is certainly something that we need to take on board.

**Mr Allister:** If Belfast City Council or any other council can enter into a protocol for information sharing, why can NIE not?

**Ms Hiles:** I do not know the answer to that.

**Mr Allister:** Could we find that out?

**Ms Hiles:** Yes.

**Mr Allister:** It seems that the councils can do protocols. I am just puzzled as to why NIE cannot.

**Mr Beggs:** Can I come back on that? I suspect that the reason might be that NIE is a private company, and that it is not just NIE but a range of energy suppliers that will have the relevant information. That may be the very reason why legislation is required as opposed to protocols: because they are private companies. Would that be a reasonable explanation? What is your understanding?

**Ms Hiles:** Yes, probably, and why would you not bring in some of the other utility providers as well?

**Mr Beggs:** Is it not apparent that legislation would be required? Many of these are private companies.

**Ms Hiles:** Without giving a personal opinion, I think that the information that will come from Land and Property Services will be sufficient.

**Mr Beggs:** Why do you think that?

**Ms Hiles:** Because it will allow the Housing Executive to contact all the known owners, and whether electricity goes to a house will become a secondary issue.

**Mr Beggs:** But the owner might be the Housing Executive, and there could be unoccupied Housing Executive or social landlord homes being claimed for housing benefit that are simply addresses for dropping cheques to.

**Ms Hiles:** Those houses are already being identified by Land and Property Services, and it provides that information to the Housing Executive.

**Mr Beggs:** How does it identify them? Would it not be much easier to do so if companies flagged up houses where there is either no live electricity account or, if there is one, virtually no electricity is being used? That, at least, would be a warning flag to say to the Housing Executive, "Check out this house."

Is it being used? Is there a real tenant occupying the property?". Would that not be a reasonable way of dealing with the issue?

**Ms Hiles:** I am not sure how that would identify the owners any more quickly for us.

**Mr Beggs:** My point is that it would identify Housing Executive properties that might be sitting vacant.

**Ms Hiles:** They do not come under the empty homes strategy, for the purposes of which we want the information shared. Housing Executive and housing association voids are managed in a completely different way. The strategy covers private houses.

**Mr Beggs:** I am not talking about actual voids; I am talking about property that is, on paper, rented out and on which Housing Executive benefits are being paid.

**The Deputy Chairperson (Mr F McCann):** My understanding is that the Housing Executive and the housing associations have the power to enter houses where they believe there are no people living. As a matter of fact, in my constituency I have complained a number of times, and the Housing Executive has looked into it. I think that it has more to do with private housing that is lying empty.

**Mr Beggs:** That might be a focal point, but the point that I am making is that, if information was shared with the electricity companies and other utility suppliers to flag up properties that are not being used, it would give public bodies reason to seek the powers to enter them to check them out. Without a method of flagging up which properties, how do they know where to go in?

**Ms Hiles:** I can come back to the Committee on that. It is not my area of work, but it might have already been undertaken by the people who look after fraud in the Housing Executive. I am not sure, but I will certainly come back to the Committee on that.

**Mr F McCann:** Would you please? That point has been raised a number of times, not only at this meeting but in the past about sources of information that would allow you to tap into that. I would appreciate it if you could look into that.

**Mrs D Kelly:** Can I ask about an assessment of empty homes and a mapping exercise across Northern Ireland? Where are the majority of empty homes? Has that been completed? Is that information available to you? Of those identified as empty homes, how many are in areas where there are long waiting times and need has been identified?

**Ms Hiles:** Various mapping exercises have been undertaken. The main finding is that there is no housing need where the empty properties are, and, therefore, it is difficult to prioritise them. Certainly, we could make information available by the 11 new council areas. It would show the latest data from LPS on empty homes alongside information that the Housing Executive has from the exercise that we did in 2014. About 1,200 properties were involved. That information is matched against whether it is in an area of low to medium or high need. We could make that available.

**Mrs D Kelly:** Chair, that would be useful. We all know that there is a sectarian geography in Northern Ireland, and it would be good to find out whether there are any opportunities under T:BUC to make some of those areas more attractive and sustainable. It might be useful to have some knowledge of the level of consultation in neighbourhoods and communities as to why those homes are empty. In Craigavon, in my constituency, some empty homes were sold off, and in the early days of the creation of Craigavon, land owners disappeared into the ether and could not be traced. We need a strategy on the new vesting powers being proposed for local authorities in development opportunities so that we can have a clear knowledge of whether those homes are habitable again. If they are not in the right place for communities, we need to find out why not and what we can do to make that more sustainable.

**Ms Hiles:** The Department is aware that the strategy has been issued now for two years, so it is time to look and maybe refocus attention on where the properties are and what can be done. The Department is looking at that along with the Housing Executive.

**Ms P Bradley:** If I can come in on the back of that, I know — we all should know as constituency MLAs — that, when we are out and about in our own areas, that is when people point properties out

and say, "Such-and-such, there is no one living there" or "That is a broo drop" or whatever it might be. I have had several of those pointed out in private housing areas, and my local council has been fantastic. It knows who owns them and writes to them and does all of that, but I think then that we have the issue of what we do with those empty properties.

Many of the people who owned those properties do not have the money to reinvest or even the money to reinvest in order to re-rent them, so they lie empty. I know of a few in my area that have been burned out and have hoarding on them, and that is in a private area with people trying to sell or rent their houses around those. We need to look at the further stage of what we do when we get that information. Can we go in? Can we vest? We should look at that. I know of two houses in particular in my area, in Glengormley, but it has been seen that there was not a housing need there to go in and vest.

**Ms Hiles:** There are a quite number of issues.

**Ms P Bradley:** It is a real issue for homeowners who are having to look at that.

**Ms Hiles:** The first step, if I may be so bold as to say it, if properties are pointed out to your constituency offices, is to report them to the empty homes unit in the Housing Executive. It will try to make contact with the owner and ascertain exactly what the plans are for that house. It could be that the owner is waiting until the market changes so that they can sell, or it could be that they do not know how to go about getting a private tenant, in which case the Housing Executive will offer to help. If there is no housing need in that area, it will consider what else can be done.

**Ms P Bradley:** I have to say, on the back of that, that we have had great success with the Housing Executive and housing associations that looked at a derelict block of flats in Rathcoole that will now be turned around. It has been a great success, but it took years of work to get to that stage. We need to be able to see the flow of how we turn these houses round, or else this Bill is not, well, it is of use, but there is no end result there.

**The Deputy Chairperson (Mr F McCann):** That is a valid point. We need to equip ourselves with the powers to do that, and, flowing from that, strategies can be developed. I understand that a couple of pilot schemes took place about four years ago, one in the north and one in the east, that focused on bringing empty homes back into use. Maybe if we knew how that was rolled out and what the success of it was, it may help us with debates and arguments.

Do members wish to make any further recommendations or comments on clause 1?

We will move on to clause 2, "Disclosure of information relating to antisocial behaviour". There is an issue around Housing Rights' proposals. Will the Department comment on those proposals?

**Mr Stephen Baird (Department for Social Development):** The Housing Rights Service had identified issues with the clause where it felt that there was provision that was essentially redundant, as there were references to grounds for possession that it felt would not, in practice, be involved in any of the information-sharing requirements. It drew attention to the fact that the clause would provide for information to be shared in relation to proceedings for possession of a secure tenancy where possession was being sought on grounds relating to, in the first instance, acts of waste or neglect by the tenant.

What we had in mind were circumstances where perhaps the tenant had filled the garden with rubbish of some description, which was causing a nuisance to neighbours, and the landlord was seeking possession on that ground and required information from some other party to support possession proceedings. The Housing Rights Service felt that, in a situation like that, the landlord would not proceed on that particular ground. Because of the nuisance aspect, they would proceed on the grounds for possession that relate specifically to causing nuisance or annoyance, which is what we normally call the antisocial behaviour ground. On that basis, it felt that it was unnecessary to have a power in the Bill to share information in relation to acts of waste and neglect.

The Department's view is that it may well be the case that, in most instances involving that kind of nuisance, the landlord would proceed on the nuisance and annoyance ground and that there may be no great harm done if we did remove that provision from the Bill. At the same time, we do not believe that it would enhance the Bill in any way if we removed that provision. There would be nothing to be

gained by it, and, in fact, we could actually lose something, because it could weaken the provisions of the Bill.

Similarly, they referred to another ground where we have made provision for information to be shared. That is the ground relating to breach of tenancy agreement and non-payment of rent. In the Bill we have specifically excluded non-payment of rent as an issue on which the landlord might seek information. The Bill provision refers entirely to other breaches of a tenant's obligations, which could involve something that might be described as antisocial behaviour. Again, we see that there is nothing to be gained from dropping that provision. Indeed, it could weaken a landlord's case if they were seeking an order for possession in relation to some breach of a tenancy agreement, which could relate to causing nuisance to neighbours or something along the lines of antisocial behaviour.

**Mr F McCann:** Housing Rights came here last week, put a number of valid points and followed them up with information. I cannot understand why you would want to keep those issues in the Bill when, at the end of the day, they do not mean anything. One of the concerns raised last week was about people who live in houses and suffer from mental ill health or other illness. You mentioned the cases where there may be rubbish in a garden. For most people, while that may be a difficult thing, it would not fall into the terms of the antisocial problems that most people would refer to us as elected reps.

**Mr Baird:** I certainly take that point. However, it is important that we do not confuse the provisions that permit information sharing in relation to possession and the actual grounds for possession. The Department and the social landlords are well aware of the need to move sensitively where a tenant may have some kind of vulnerability such as mental illness. We know that the scenario that we discussed, where there is rubbish collecting in a garden, can relate to some kinds of mental illness. In that case, the social landlord would have to consider carefully whether or not to seek possession. In fact, the Department has issued guidance to the Housing Executive which makes it clear that, where somebody appears to be engaging in antisocial behaviour as a result of mental illness, they need to be helped and supported and not treated punitively. This provision is an information-sharing provision, which means that the landlord will be in a position to get information about the situation from all interested parties. This may well include medical or social services. If you have a situation where somebody is causing a nuisance because of a mental vulnerability, this provision would allow the landlord to get that information and respond appropriately. We think it is quite important that we retain that.

**The Deputy Chairperson (Mr F McCann):** Last week, the Department acknowledged that grounds 1 and 3 might not be greatly missed if they were removed from the Bill. I do not know why you would put them in a Bill anyway. Even if you were making reference to it, what difference would it make? To me, it does not seem to make any difference.

**Ms P Bradley:** I have great concerns about how we protect people, especially those with mental ill health. Where is the protection for the vulnerable person in that home, whereby the landlord will follow the procedure of looking at the grounds of mental ill health? Whether social services, a community psychiatric nurse or whoever else is involved, where is the protection for the homeowner?

**Mr Baird:** There is protection in the disability discrimination legislation. We have highlighted this in the guidance that we issue to the Housing Executive. If, for some reason, the Housing Executive chose to ignore the guidance that we have issued and attempted to take it to court, it would very soon be raised in court as a defence, and rightly so.

**Ms P Bradley:** I am still thinking of the vulnerable person, especially someone with poor mental health, and how they would fight against any type of landlord evicting them because of what we have termed antisocial behaviour. I do not see it as antisocial behaviour. Knowing and having worked with such people, I know the mental fight it would be for them to object to being evicted from their home, to object to being rehomed, or whatever. There is a difficulty around that as well. They might not be fully aware of the Disability Discrimination Act or even that they have rights. It is just a bit of a concern.

**Mr Baird:** Again, I want to emphasise the fact that there is nothing in the Bill that gives the social landlord any additional power to evict anyone or take action against anyone. This Bill enables the landlord to get information in cases where they may be seeking to take possession or some other kind of action. In the circumstances we have outlined, it is very important that the landlord, and indeed the court, get as full a picture as possible. If there are vulnerabilities involved, then it is essential that they come out. These provisions would facilitate that process.

**Mr Allister:** I have always struggled a bit with clause 2(6), which says:

*"Information is relevant information about a person ("P") if it—*

*(a) indicates or suggests that P is guilty of conduct amounting to an offence of a kind mentioned ... (even though P has not been convicted of such an offence)".*

It seems to liberate information for disclosure suggesting guilt even in circumstances where people have not been convicted of anything and could even have been acquitted.

**Mr Baird:** Correct.

**Mr Allister:** How do we square that? Someone could be acquitted of an offence, yet information suggesting that they were guilty could be shared.

**Mr Baird:** This is not really anything new, in the sense that it reflects existing legislation, which allows landlords to take particular courses of action in relation to how they perceive somebody's fitness to be a tenant. That may reflect the fact that there is a conviction against the individual, or it may reflect the fact that there is a history of complaints against the individual.

**Mr Allister:** Would it not have to reflect the fact that there may have been an acquittal?

**Mr Baird:** It may well do.

**Mr Allister:** But it does not.

**Mr Baird:** It is a judgement call for the landlord at the end of the day.

**Mr Allister:** It enables someone to override due process where a person has actually been acquitted and treat them, by the passing of information, as guilty. That is where I struggle with the clause.

**Mr Baird:** I do not think that that is the intention of the legislation.

**Mr Allister:** It could be the outworking.

**Mr Baird:** Again, this will be a matter for a court. Certainly, if it is in relation to an injunction or proceedings for possession —

**Mr Allister:** Or it is a matter for the Department to revisit the wording of the clause.

**Mr Baird:** I will take that on board.

**Mr Allister:** In your response to us so far, you have not done so.

**Mr Baird:** I acknowledge the point and will give it further consideration.

**The Deputy Chairperson (Mr F McCann):** I will just advise members that all these points will come back next week. If there is any additional information, it needs to be brought to the Committee next week. I remind members that concerns had been raised that private landlords are omitted from the information-sharing provisions. At the same time, issues have been raised that the sector is not set up to effectively meet the data protection legislation requirements. Article 8 of the Human Rights Act has also been mentioned. Most recently, the Department advised that it was considering an option of a legal direction to the Housing Executive to disclose relevant information to private landlords. However, it has been advised that it does not have the power to do so. You raised that during the week, Jim.

**Mr Allister:** Yes, I raised that point. If the answer as to why it does not apply to private landlords is that they are not set up, not properly regulated and cannot cope with all of this, why not have an enabling clause in the Bill so that, if and when they are properly regulated, you could introduce the information-sharing provisions by secondary legislation? Why not have an enabling clause in the Bill?



**Mr Baird:** There is merit in that suggestion. It is probably a question of timing. It is not our view that landlords will be in a position to meet these requirements any time soon.

**Mr Allister:** Whenever they reach them.

**Mr Baird:** Ultimately —

**Mr Allister:** Why start with fresh legislation at that point to put the duty on the landlords if you could have an enabling clause that allows you, by secondary legislation, to impose the obligation at the appropriate point?

**Mr Baird:** It may well be appropriate to make provision of that nature, but we do not think that this Bill is necessarily the most opportune —

**Mr Allister:** Why not?

**Mr Baird:** Because it will be some years down the line. There will be subsequent housing legislation closer to the time.

**Mr Allister:** That would be it tidied up and dealt with. It might be a bit of an incentive to make sure that you move ahead at pace with the regulation of the private sector.

**Mr Baird:** We would probably have to give more consideration to the provision than we actually have time for in the current mandate. It is probably something that would be best considered for a future housing Bill.

**Mr Allister:** I just do not see the logic of kicking it down the road when you could put a provision in place that would allow you to bring it in at the opportune time and lose no time at that stage.

**Mr Baird:** Again, it is something that we would want to give more detailed consideration to.

**Mr Allister:** Perhaps you will.

**Mr Beggs:** Like Jim, I do not see why you could not have a clause — it could be done by affirmative resolution — saying that the Department "may" share information at some point in the future. Put that enabling power into a clause and park it, and the precise regulation and precise detail will be sitting there for you to bring back to the Assembly without a long bureaucratic process in future. If all the pieces of the jigsaw are in place, it would simply be a case of convincing the Assembly that it would be appropriate to share the information. Why do you not do that?

**Mr Baird:** I think that we would rather make that kind of provision when we are a bit closer to the time when the provision would actually be used.

**Mr Beggs:** What differences does it make? If you give yourselves the enabling power, you can decide on the precise grounds later.

**Mr Baird:** It is quite important to have the terms in which the enabling power would be framed. We would need to have a clearer vision of the actual outworking of the regulations and exactly what description of "landlord" we would aim them at.

**Mr Allister:** But your enabling power could allow you to do that at various stages for different classes of landlord, if you wanted to do so. It is a question of getting the enabling power in and then, when it is opportune, doing it.

**Mr Baird:** Yes, but we do not consider that the enabling power is required as a matter of urgency.

**Mr Allister:** So we only legislate for the urgent.

**Mr Baird:** As a general principle, we legislate for matters that we will implement within the foreseeable future.

**Mr Allister:** Surely the point of the legislation is to establish a principle of information sharing. If you anticipate that, then eventually that principle will be extended to the private landlord sector. Now is the opportune time to put the power in the enabling legislation dealing with information sharing.

**Mr Baird:** I suggest that the purpose of the legislation is actually to make practical provision for information sharing. The principle has already been established by existing legislation.

**Mr Allister:** Not for private landlords.

**Mr Baird:** No. That is not a part of the Bill.

**The Deputy Chairperson (Mr F McCann):** OK, folks. Do members have any other issues that they wish to raise under clause 2?

I have just one comment. I understand the debate that is going on. However, we will come back to the issue of private landlords and the private rented sector when we deal with the regulation of that sector shortly, and I just wonder whether this can come up during that process. Also, it is recognised that housing associations and the Housing Executive are regulated and have to abide by the rules. The private rented sector is made up of thousands of individual landlords with no regulation at all. You need to be careful that any information that is being passed to people like that is protected. All of that has to be thrown into the mix. The Department will have an opportunity to come back to this again next week.

**Mr McQuillan:** Chair, before you leave that, I want to add that the Department pays millions of pounds to private landlords in housing benefits. What the members opposite are saying makes sense and should be considered.

**Mr Beggs:** Can a degree of information sharing occur at present in very narrow, specific cases? For instance, if there is an issue with antisocial activity at a privately rented property, is any enabling required to provide a good flow of information between the private landlord, the police, the council and the Housing Executive? Can that happen at this minute in time?

**Mr Baird:** It will depend, to some extent, on the action being contemplated. The information that is needed and who will provide that information — all of that will be contingent on who is going to take action against the perpetrator and what kind of action is contemplated.

**Mr Beggs:** Again, if there were enabling powers, you could narrow it down to very specific cases where information could be legally shared, where it is deemed to appropriate to do so. If you do not have the enabling powers, you cannot do that.

**Mr Baird:** If we were to put enabling powers in the Bill, they would be of no practical use until we made the regulations to permit the information to be shared, and we would not be —

**Mr Beggs:** Sorry, it would mean that you would not have to go to public consultation and need Assembly and Committee time; you would simply have to advertise your intended process. We would have to scrutinise it, but we would be satisfied that the consultation process would be deemed to have already happened as part of the work on the Bill.

**The Deputy Chairperson (Mr F McCann):** We will come back to all the issues that have been raised point by point next week. Obviously, members will ask the Department some of these very questions again next week. They have been forewarned and forearmed. If we can have answers to the questions that have been raised, we can move it on from there. If people have no further questions, we will move on to clause 3, which deals with the registration as statutory charge of certain loans. Go ahead, Maryann.

**Ms Maryann Dempsey (Department for Social Development):** This is an enabling power to harmonise the powers the Housing Executive already has to grant aid. The Housing Executive has had powers to make loans for certain housing purposes since the 1980s. In order to secure any such loan, it has to go through the costly process of a legal mortgage, which is similar to the charge that a bank would put on as a condition of lending. The power for a statutory charge will make it administratively simpler for the Housing Executive to secure any lending, and it will make lending more

cost-effective, because it is considerably less expensive to put a statutory charge in place than a legal mortgage. That is the purpose of this clause.

**The Deputy Chairperson (Mr F McCann):** OK. Do members have any questions for the Department?

**Mr McQuillan:** Does it make it easier for the Housing Executive or the person applying for the loan?

**Ms Dempsey:** It makes it easier for both parties. In the case of a legal mortgage, the recipient of the loan would have to secure the services of a solicitor, as would the Housing Executive. With a statutory charge, there is a form to be completed that is then sent to the Land Registry. The process is extremely easy for both parties and much less costly.

**The Deputy Chairperson (Mr F McCann):** OK. Again, we will come back to this next week as we hopefully refine the Committee's positions. Unless you have anything else to say, I thank you for coming along today.