



Northern Ireland
Assembly

Committee for Social Development

OFFICIAL REPORT (Hansard)

Housing Allocations: Departmental Briefing

16 January 2014

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Alex Maskey (Chairperson)
Mr Mickey Brady (Deputy Chairperson)
Mr Jim Allister
Ms Paula Bradley
Mr Gregory Campbell
Mr Trevor Clarke
Mr Stewart Dickson
Mr Fra McCann
Mr Sammy Wilson

Witnesses:

Dr Heloise Brown	Department for Social Development
Ms Deirdre Ward	Department for Social Development
Professor Paddy Gray	University of Ulster
Dr Michaela Keenan	University of Ulster
Ms Ursula McAnulty	University of Ulster

The Chairperson: I formally welcome Deirdre Ward, Dr Heloise Brown, Professor Paddy Gray, Ursula McAnulty and Michaela Keenan to the Committee this morning. I hope that you have not had to wait too long. We had a couple of fairly lengthy discussions that ran over a little. I think that members have all the necessary reports and paperwork in front of them, so, without any further ado, Deirdre, I invite you and your colleagues to brief the Committee on the work that you are involved in.

Ms Deirdre Ward (Department for Social Development): Thank you, and thank you for the opportunity to come before the Committee.

I am accompanied today by Professor Paddy Gray, Michaela Keenan and Ursula McAnulty from the University of Ulster. They, in conjunction with the University of Cambridge, carried out the research on housing allocations and produced the reports. I am also joined by Heloise Brown, the Department for Social Development (DSD) policy lead for the allocations review. The researchers are here today to brief the Committee on their findings and recommendations. Before we take questions, I will provide the Committee with a brief background to the review explaining the rationale for it.

The Department's housing strategy, Facing the Future, indicates the commitment to undertake a review of the social housing allocations policy. The current housing selection scheme operated by the Housing Executive has not been reviewed since 2000. The Department wishes to ensure that the mechanism for allocating social homes represents the most efficient and effective use of the scarce public resource. The scope of the review is social housing allocation policy — how social housing is

accessed and allocated. Related issues, such as the supply of newbuild social housing or wider housing supply issues, are outside the scope of this review.

The work on the newbuild social housing and housing supply is being taken forward by the Department in line with the Programme for Government and the Department's housing strategy, but the research presented to you today focuses on how social housing allocations are made.

The question that we asked the consultants to answer was this: can the current process for accessing and allocating social homes be improved in any way? We were keen to get an independent, external analysis, and that is why we commissioned academic expertise. We asked the consultants to produce three reports on the current process in Northern Ireland; best practice in GB and the Republic of Ireland; and recommendations for improvements to the current system. We also asked the consultants to consider whether and how factors additional to housing need might be taken into account or whether the focus should remain on housing need alone. Our findings from the housing strategy consultation were that stakeholders were evenly split on whether housing need should remain the only factor for consideration, or whether housing need plus other factors should be considered.

I want to be clear that the issue is not about moving away from allocating by greatest housing need, but whether the consideration should be need plus other factors, such as whether we can enable a more balanced community and reduce area-based deprivation. However, we are very aware that this issue is contentious and not a straightforward one to address.

The reports were launched for public consultation on 10 December 2013. The reports contain the independent recommendations of the academic team, so the Department has not taken a view on the recommendations at this stage. Given the sensitivity about social housing allocations, DSD published the independent proposals to provide an opportunity to gather stakeholder views before reaching a departmental position on the way forward. We have invited stakeholders and the public to comment on the reports over a 12-week consultation period, which closes on 4 March 2014. The findings from this public comment exercise will be used to inform the Department's view of the review of social housing allocation policy, and we will, of course, keep the Committee informed as the review progresses, particularly when the Department's proposals are published for consultation.

Finally, I should emphasise that the Department has not taken a view on the academics' proposals at this stage, so the research team is better placed to explain the detail and intent of the specific recommendations. However, we feel that the research team has delivered a thorough, detailed and well-evidenced set of reports that will be of value to us in beginning public debate on the subject and ultimately inform and evidence our own review. I would now like to hand over to Professor Paddy Gray, who will give some detail on the research.

Professor Paddy Gray (University of Ulster): Thank you very much, Deirdre, for introducing the members of the university team. I thank you, Chairman, and Committee members, for the invitation to discuss our research and recommendations with you today. If you are content, I will briefly set out our approach and main recommendations before taking any questions.

You will see that the three reports were completed by us in partnership with a research team from the Centre for Housing and Planning Research at the University of Cambridge. The work included desk research on current practice in Northern Ireland, best practice across Britain and the Republic of Ireland and recommendations for improvements to the current process in Northern Ireland. We had significant engagement with stakeholders in Northern Ireland and representatives of political parties here in undertaking the research. The finished result reflects the issues that were raised with us. Most important among those was the need to make the allocation system more transparent, fair and easy to understand so that everyone can engage with it. We aimed to deliver proposals that will help people to make informed decisions about their housing options and to have clear information about what is available.

You will see from some of the key messages in the executive summary of the reports that demand for social housing persistently outstrips supply in Northern Ireland. It is crucial to ensure that the processes for applying for and letting social housing make the most effective use of the scarce public resources that are available. Evidence from elsewhere suggests that adopting a proactive approach, through the use of a housing options service, allows housing providers to meet a range of housing need without sole reliance on the social housing sector. That is why our first recommendation is the introduction of a housing options service in Northern Ireland. That would mean that, when a household approaches a social housing provider, it receives a customer-focused response that looks at the full range of options available across all tenures. Such a service has been shown to be effective

in preventing homelessness and managing expectations about how long it might take to be housed in a given area.

There are 16 recommendations in the final report, so I will not go through each one, but I will highlight some of the more important ones very briefly. In addition to the housing options service, we recommend that the scheme for allocating social housing change to a banded approach rather than the current points-based approach. We recommend this because evidence from Great Britain and the Republic of Ireland indicates that banded schemes are seen as more transparent and easier for applicants to understand. They allow applicants to judge better when they might receive an offer of a social home. That is because, under a points system, households may wait on the list and see others effectively jump the queue above them as they are allocated more points. Under a banding system, every applicant is assessed on their housing need and is allocated to a band with others who have broadly similar levels of need. They then wait, in date order on a time-on-list system, to rise to the top of the list and receive an offer. Many of the stakeholders whom we spoke to raised issues about applicants apparently points-chasing under the current system. That would be largely eliminated under a banding system.

Another significant change is a recommendation that the system for letting properties change. At present, a direct-let system is used, which means that applicants wait to receive an offer of a social home and then decide whether to accept the specific residence that has been offered to them. We recommend changing to a choice-based letting approach. That would mean having an entirely new system in which the available properties are publicly advertised and those on the waiting list can specify which ones they would be likely to accept. The property would be offered to the applicant who is at or nearest to the top of the list who has expressed an interest in that specific property. That choice-based letting system would let the applicant take the initiative, rather than them passively waiting to receive an offer of a home.

We are very aware that there will be applicants who will need support in such a process. We have made a range of recommendations about the support that will need to be available for the approach to be effective. Nevertheless, the evidence is clear that choice-based letting reduces refusal rates, which in turn means faster re-let times and less time in which a property sits empty. There is also evidence that this approach encourages applicants to extend their geographic area of choice. A choice-based approach would address many of the shortcomings that our stakeholders raised with the current direct-let system.

Finally, we were asked in the project specification to consider if and how factors that are additional to housing need could be taken into account. The final two sections of our recommendations focus on that, and we acknowledge that it is not a straightforward or simple issue to address. If social housing providers are to give greater emphasis to the creation of more balanced and sustainable communities, we feel that certain safeguards should be put in place. We have recommended an independent scrutiny panel as the key safeguard. We have also recommended that the panel should monitor allocations for each of the 11 housing market areas across Northern Ireland, which were identified using existing research. In the longer term, we have recommended that the panel could oversee a quota system were there to be a move towards using social housing allocations to deliver more sustainable communities.

To conclude, I emphasise that we have developed these recommendations for the medium to long term as a means of future-proofing any new allocation scheme. We hope that the proposals will be considered in the light of that. It is about where social housing needs to move to in Northern Ireland rather than just thinking about current immediate need.

Mr F McCann: Thank you for the presentation. Obviously, the report throws up a number of different issues. I am bit concerned that the bulk of the choices in the recommendations are based on what exists in the likes of England and down South and that the report does not take into consideration areas of severe social need in areas of high demand. The report seems to drift away from delivering housing, whether through allocations or newbuild, purely on the basis of need.

I have read the recommendations that relate to choice-based lettings. As we sit at present, there are probably fewer than 100 houses being built in west Belfast. There is a waiting list of 3,587 applicants, 2,501 of whom are in housing stress. There are 1,218 families, 218 elderly people, 1,198 single people and over 326 applicants in temporary accommodation. How will choice-based lettings suit them?

Professor Gray: We recommended a system that has been operating across GB and in the South of Ireland, where many areas are experiencing severe housing stress. To take west Belfast as a specific example, I can say that there is, obviously, a shortage of housing there. That is not what we are about here; we are talking about how that shortage of housing can be allocated. In the first instance, people will be given options in a housing-options approach. So, when someone applies for a house, they will be given a range of options that may be available to them. It might not necessarily be in the social housing sector; it could be in the private-rented sector, co-ownership or a number of areas, but that specialist advice will be given at the initial stage. So, it may well be that those people who are on the waiting list as shown at present may not necessarily represent a true reflection of housing need in that area.

Mr F McCann: How do you work that out, Paddy?

Professor Gray: I am not working it out scientifically. I am just saying, Fra, that at the initial stages the system itself would determine whether people's needs could be met by something other than social housing.

Mr F McCann: Let me give you another scenario from just across Belfast. If you go down the road of choice-based lettings, for talk's sake, you may see that there are 30 available houses that may be lying empty in Tigers Bay. Fifty people from New Lodge may tap into that and say that they want to be housed there. How do you deal with that under choice-based lettings?

Professor Gray: Do you mean if people have suggested that they want to live in those houses?

Mr F McCann: I am saying that if people do. You talk about advertising under choice-based lettings. So, if people say that they want to move to Tigers Bay from New Lodge, there is, first of all, no way in this world that they could get living there. That could be the situation vice versa. Secondly, they could not move anyway, because their lives could be in danger.

Professor Gray: Of course, yes.

Mr F McCann: How do you build that into choice-based lettings?

Professor Gray: First of all, properties will be advertised that people may not know exist in even their own areas or further from where they specified that they wanted to live. It may not necessarily be Tigers Bay. Taking your example of Tigers Bay, I suspect that advice would be given to people at the time and that they would be asked, "Do you really want to move into Tigers Bay? This is an area with issues to do with safety and health."

Mr F McCann: There is a huge waiting list in parts of north Belfast. What you are really saying is that people cannot go there because of circumstances and that there is not enough build going on in their area, so they are condemned to live in a hostel or in overcrowded conditions from here to eternity.

Professor Gray: I think that choice-based lettings is about giving people a choice to make the decision for themselves about where they want to go.

Mr F McCann: That is based only on the available properties. That is a fact of life here. Probably one of the naive aspects of this report is that none of that was taken into consideration when you sat down to do the report.

Professor Gray: It was, actually. We talked to a range of —

Mr F McCann: Show me the evidence of that in the report.

Professor Gray: We talked to a range of stakeholders right across Northern Ireland. The evidence that we received from them was that they wanted to move to a different system of some sort. As we mentioned in the introduction, the points system as it stands allows for queue-jumping and people chasing points and maybe remaining on the list for a very long time. This becomes an open and more transparent system. It is a mechanism to allocate social housing.

The Chairperson: I will just interject, Paddy, because we need to bring other members in. The core of the question, if I am getting it right, is that the current system does not provide easement for people who are on a waiting list for a long time, because there is not enough housing available. It does not matter whether you have a choice; you have no choice, really, because it is so limited. Is there anything in the views, recommendations or consultation that deals with how we square the circle of people are continually being left on a waiting list? In some cases, they can be left like that for a number of years in quite distressing housing circumstances.

Is there anything in the report that seeks to address the fact that people may well be stuck on a list for a long time because no easy choice is available to them? They do not get additional points or support to get housed. The current allocation system does not help at all, so is anything on offer that may help to address that? I think that that is the key issue.

Mr Wilson: According to the report —

The Chairperson: I am sorry. I have other members to bring in, Sammy, so I am bringing in —

Mr F McCann: Chair —

The Chairperson: Finalise your point, Fra; we need to move on.

Mr F McCann: Again, the whole report seems to be talking about moving away from dealing with objective need. It talks about rewarding people who are in employment or who may have a community standing. What got to me was when you described some of the people who are on the waiting list. I have been dealing with housing for 30 years. I deal with it on a day and daily basis, as I am sure that all the members around this table do. I have never heard of anybody refusing a house because it does not have an en suite. That stigmatises people who are on the waiting list.

I know that there may be a small group of people who say, "I am not taking it if it is a new house". The fact of life on waiting lists here is that people follow new estates, because they offer the best opportunity and possibility of being rehoused. So, it gives a false impression of the waiting lists, or suggests that people on the waiting list will pick and choose. Those are certainly not two of the issues that I have come across in all the years that I have dealt with the matter.

Mr Wilson: That is not what the evidence shows.

Mr F McCann: Thirty people were spoken to, Sammy.

Mr Allister: I want to ask you about two specific areas. When the Minister spoke to the Northern Ireland Affairs Committee back in April, he was asked about the provision for ex-servicemen. In answer to Lady Hermon, he specifically indicated that part of your work would be gathering evidence on the need and addressing that issue. The report that I read seems to be very sparse on that. What did you conclude about it?

Dr Heloise Brown (Department for Social Development): I think that it was covered in the research that the team did. We have done some work directly with the Housing Executive to clarify how ex-service personnel are treated, what their entitlement is and how they are considered under the current rules. We think that that will address some of the concerns that stakeholders raised. It was felt that we could address those within the current guidance. Obviously, the decisions on what recommendations are in the report are up to the research team, but the Department has actively looked at alternative ways of addressing those issues while the research has been going on.

Mr Allister: If you look at page 59 of the first report, you see that it seems to just mention it and then moves on, with no conclusive attention being paid to the issue at all. Is that not right? I am sure that Professor Gray could comment; it is his report.

Professor Gray: One of the questions that we asked stakeholders was about how we should deal with ex-service personnel, and we presented the evidence that came back from that. There was not a significant response saying that there should be a different approach from what we were recommending.

Mr Allister: So, the academics had no view to offer? You had a Minister telling the Committee that it was something that he had specifically charged the academics to address, so where did that go?

Professor Gray: We did address it. We addressed it in our gathering of evidence.

Mr Clarke: How many of your stakeholders were ex-service?

The Chairperson: Sorry, Trevor, a number of members are interested in this. I want you to come in one at a time. Sorry, folks. A number of members are indicating that they want to speak, so let us just take them one at a time.

Mr Allister: To quote what the Minister said to the Northern Ireland Affairs Committee:

"In setting up that group to do that work, we did specifically task them with looking at the position of former soldiers. It is not just going off to look at social housing allocations policy. They are definitely looking at this issue."

So, where is the evidence of the academics who have been tasked with definitely looking, in a fulsome way, at the issue?

Ms Ursula McNulty (University of Ulster): When we went out and spoke to stakeholders, we found that every one of them was asked whether some type of increased priority should be given to ex-service personnel. The responses were fairly evenly split between those who said that it should and those who said that it should not. In the interim, however, DSD had been working with the Housing Executive and clarified its position on it.

Mr Allister: Did the academics reach any view?

Ms McNulty: The results from the stakeholders were fairly evenly split. About half said that increased priority should be given, and about half —

Mr Allister: Yes, so you are hiding behind the stakeholders, but what view did the academics reach?

Ms McNulty: We carried out the interviews, and, in the background, DSD and the Housing Executive have clarified their position on the rehousing of ex-service personnel in the interim period.

Mr Allister: To what effect have they clarified it?

Dr Brown: It has been clarified with the Housing Executive in how it treats applications for homelessness assistance and applications for social housing. So, there is a range of different —

Mr Allister: It is clarified to the extent that no difference is made for ex-servicemen.

Dr Brown: They are not at any disadvantage, given their service experience.

Mr Allister: Are they not? Do you think that an ex-serviceman could accept a social housing offer anywhere in Northern Ireland?

Professor Gray: It is not a matter of accepting an offer; they will make a bid for a property.

Mr Allister: Under your scheme, yes, but, at present, do you think that there are certain no-go areas for ex-servicemen?

Dr Brown: There are measures in place to support ex-service personnel who are looking for accommodation in Northern Ireland and to assist them —

Mr Allister: Where is the reality of no-go areas for ex-servicemen reflected in the policy? It is not — is that not the short answer?

Dr Brown: Any applicant can make a choice of area. One of the issues that the research raises is that the choice of area is geographically limited anyway. That is one of the key issues that affects the demand issues that we have been talking about.

Mr Campbell: This is a very interesting report. There are a couple of things that I want to check, and then I will ask a couple of questions. At the back of the report, there is a series of references. I take it that that is a list of the standard reference material that was used in the compilation of the report. Is that right?

Professor Gray: Yes, those are the references that we used in the desk research when we were looking at other examples of good practice.

Mr Campbell: I have not looked through all of them, but, as far as I can see, they are all quite relevant. However, I noticed that the very last one is a 1983 publication entitled, 'How much discrimination was there under the Unionist regime, 1921-1968?' How relevant was that to the report?

Professor Gray: I would need to look up the reference, but I suspect that it was used in the background section, which covered the period before the scheme came into place. There was a background section.

Ms McAnulty: From recollection, that was used for the background section, which covers the period before the scheme was first introduced. Some information was used from the book; it was not the point of the book, and we maybe got a quotation out of it to use in the background section.

Mr Campbell: According to its title, the book looked at a period that ended some years before the Housing Executive even came into existence.

Professor Gray: The basis of its use was contextual.

Mr Campbell: Page 19 of the first report contains the heading, "Creating mixed and balanced communities." Looking at that, it seems that, flowing from Together: Building a United Community, the report is examining how to create a mixed, balanced and, presumably, better community. Is that the broad thrust of it?

Ms McAnulty: Yes.

Mr Campbell: In that context, and given what I said about the references, was there any examination of the problems that have existed with the Housing Executive's composition down through the years? I do not see that in the report.

Ms McAnulty: Do you mean the socio-economic status of its tenants?

Mr Campbell: No, I am talking more about its religious imbalance from not recruiting Protestants for a number of decades.

Professor Gray: We were not charged with looking at individual organisations. We were charged with looking at how the allocation system should be fundamentally reviewed. The Housing Executive operates the allocation system.

Mr Campbell: That is the point.

Professor Gray: We were not charged with examining organisations.

Mr Campbell: No, but as you say, the Housing Executive's job is to implement a fairly robust housing selection scheme. Given the context of the pretty significant number of areas that you covered, I would have thought that, if you are looking at creating mixed and balanced communities, you would have made a mention in passing of the composition and problems experienced by the one organisation, which is the largest organisation, that is trying to do that. I thought that you would have done that, given that that organisation has been about for 40 years.

Professor Gray: As I said, we provided a contextual background and a chronological review of what went on in the selection scheme. So, we did not feel at the time that we needed to put that in.

Mr Campbell: Would you accept that it is a relevant consideration?

Professor Gray: Only if it affected how the current allocation system is being administered. We did not have evidence that it did that.

Mr Campbell: I see that, and that is why I referred to the robust housing selection scheme, which has not really been contested.

Professor Gray: Not at all.

Mr Campbell: However, did you not think it relevant to mention or to ask why there was such a problem in the composition of the body that carries out, for the most part, three quarters of the allocations with which you are trying to build a mixed and balanced community?

Professor Gray: We certainly did not feel that it was relevant to do that at the time that we compiled this report. Other organisations are involved. As you know, 30 housing associations also allocate social housing. To make a robust statement there, we would have had to go through all those organisations.

Mr Campbell: Yes, but as you rightly point out, the Housing Executive carries out the vast bulk of allocations.

Professor Gray: Yes, but it probably would not have been taking a balanced approach had we looked at one organisation alone.

The Chairperson: Sorry, but it was not in your remit anyway to discuss that. Mr Campbell is making a point; not everyone agrees with it, but he is entitled to do that. The officials have given their response. Professor Gray is dealing with housing allocations, consultees and so on.

Professor Gray: Yes, we were not dealing with organisations.

The Chairperson: So, if we could stick to that.

Mr Campbell: The issue is not whether people agree or disagree, Chairman.

The Chairperson: You raised it, and you are getting an answer, so —

Mr Campbell: It is a statistical fact that has been in existence for over 40 years.

The Chairperson: Fair enough, you have made your point; you are well entitled to do that, and you are getting responses. So, I am just making the point that it was not in Professor Gray's terms of reference to examine other organisations. We are dealing with the substance of this meeting, which is the housing allocation system.

Mr Campbell: Where establishing the terms of reference is concerned, Chairman, let me come back to the point that I made at the start. I find it difficult to understand why a publication that, according to the title, dealt with housing, starting almost 100 years ago and finishing 45 years ago, has any relevance to the terms of reference.

Dr Brown: I think that the one reference —

The Chairperson: I am sorry, Dr Brown. No one in this room has set the terms of reference, so we have no responsibility for them. We are asking the questions. Let me just remind members that the substantive item here is the allocation system and the consultations. We are getting a briefing on the basis of the consultations and what recommendations may flow from them. I am just making that point.

Mr Campbell: Yes, but on creating the mixed and balanced communities that most people would like to see, you suggested some alterations, and we can see pluses and minuses to them. Obviously, looking at that, you did not think it appropriate to make any reference to how that selection scheme would be monitored and carried out and to the composition of those who should do that.

Professor Gray: We did, actually; we made recommendations on how this new scheme that we are proposing should be monitored through the introduction of an independent panel.

Mr Campbell: How would that independent panel be composed?

Professor Gray: We explained in the report that that independent panel would look at, monitor and scrutinise how allocations were taking place under the new system. Currently, there obviously are practices for scrutinising allocations. In any academic report, you will find a contextual framework for where you are coming from. That is why our framework looked at where the current allocation scheme had come from and how it had been changed over the years. We talked about sustainable and mixed communities not just in religious terms but in social and economic terms and how we can create more balanced communities. Our desk research analysis based that on research that other people carried out.

Mr Campbell: I have just one other question about stakeholders. For actual allocations, was there any way of trying to analyse people with either good or bad experiences, complaints or recommendations about how well they were treated?

Professor Gray: We talked to the Housing Community Network and to tenants' groups and asked their views. So, they had an opportunity to give us those views.

Mr Brady: Thank you for your presentation. Let me raise some general points about the report. It acknowledges the somewhat unique political context. That was a part of the issues that were raised, and there was agreement over the:

"need to understand the political climate."

However, it then goes on to say that the political context "must not hinder progress", which seems slightly contradictory. It also says of the report that:

"It must address real and difficult issues if we are to truly devise a responsive allocation scheme that reflects local circumstances".

However, it then goes on to say that it intends to begin with a "blank sheet" of paper.

In answer to what Gregory was saying about the publication covering the years from 1921 to 1968 and why the report goes so far back, I am old enough to remember that one of the reasons why the Housing Executive came into being was because of previous housing policies. I want to make that point.

The other question I would ask — I have just taken some notes on it — is that the report talks about the notion of building mixed and sustainable communities as being more desirable and more progressive than addressing subjective need, but it seems to me that the mix relates primarily to income, class, economic status, disablement and age, rather than necessarily dealing with the overall problem.

The last question that I want to ask is this: how you see the policy recommendations coming out of this study addressing disproportionate levels of housing stress in some communities? It seems to me that we are working on a twofold social housing policy in ethnic/religious difference. Fra made the point that people in New Lodge are unable to move to Tigers Bay and vice versa. So, we are effectively working with two social housing issues and with two completely different streams.

Dr Michaela Keenan (University of Ulster): The core of the system that we have suggested is the housing options service. That service is highly comprehensive. It is what is known now as a wrap-around service in which you look at the individual or the household and all their needs. We are not specifically dealing with me and my housing needs; we will look to see what that family's real and true

needs are. In some of the housing options plus services that we see, we find that integrated into them are employment services, occupational therapy and health services.

What this is all about is looking to see what the best housing fit is for that individual or household. Within that housing options service, people could be signposted to co-ownership, mutual exchanges or a whole raft of things. If we look at some of the very recent evidence from Glasgow, which has piloted housing options most recently and where the service is being rolled out across the city, we see that only 57% of people who come into the housing options service go on to make applications. So, there is a reduction in that. The housing options services are showing great strides in reducing homelessness, particularly and very importantly, repeated homelessness. Customer satisfaction levels with these housing options services are extremely high. So, we are looking at individuals and at all their needs, but there could, I suggest tentatively, be fewer people on that list. We cannot alter the number of houses that are available, but we put the housing options service alongside choice-based letting. Choice-based letting is a highly transparent system that allows you and me to know what houses are available not just in our local area but in the streets to the side and the areas around. You can log in and see what exactly is available. It will give you lots of detail about what is available. It will allow everyone to see that and to choose, perhaps, where they would like to bid. You can see what the likelihood is of getting a house.

You may want to stay in your local area where, perhaps, options are limited at the moment, but research has found that people will consider moving further under choice-based letting. All that information is there, and the system is open and transparent in managing people's expectations. It says, "We have no more houses in this street or small area, but this is what is available to you." So, at least the people who are using the service know what is there because, at the moment, it is very difficult to give that level of transparency and openness to everyone. That is a big benefit. We cannot deal with housing stress and getting more houses on the ground, but we can offer a system that will at least show people what is there and available.

Mr Wilson: I just want to touch quickly on the point that Jim raised, because I was going to raise it too. Paddy, you seem to have fallen back on the point that this is the view of the majority of people who responded. However, there has been a clear ministerial commitment that, because of the concerns around ex-service personnel etc, he wished to see that reflected in the housing allocation scheme. There is evidence of how that works in parts of England. Why did you not take a view on that specifically? That is the point that Jim made, which you have not answered. I am not really worried about what the stakeholders said. There was a clear view expressed by the Minister that there should be some priority given to ex-service personnel and that you should find ways of expressing that priority. I notice from the paper that you studied what happens in other parts of the United Kingdom. Why did you not express a view on that?

Professor Gray: We did not feel it appropriate to express a view. We were asked to look at that area; that was in the terms of reference which we received. We asked stakeholders about it, we looked at other schemes and we felt that, on balance, there was not a robust enough concrete majority that favoured sort of priority for ex-service personnel. At the end of the day, we made a recommendation based on what we had heard: we did not feel that level of response was robust. The report is out for consultation and those views can be expressed, but that was what we were hearing from the range of stakeholders. Right across the board, we were not hearing that that was significant.

Mr Wilson: There are some other parts of the report, mind you, where the stakeholders' views did not totally reflect what you said in the report, because you did take a view on it, despite the fact —

Professor Gray: Which parts?

Mr Wilson: I will come to those in a moment or two. However, you were prepared to express a view or take a stance that may not have totally reflected what the stakeholders had said.

A startling figure is given in the summary on the number of refusals. It says that 29% of offers were accepted. I take it that that is first-time offers. It says that 34% of offers were refused. Some 12% had refused between four and six offers, and 3% had refused seven or more offers. It also states that 33% of applicants did not give any reason why they refused the offer. What size of sample were those figures taken from? Was it all housing allocations made by the Housing Executive in a year, was it a sample of them, or what?

Dr Brown: It was a specific ad hoc piece of research that the Housing Executive did. They may have looked at about 1,000 cases in a bit more detail to get some more information on them. It is not a representative figure, but it clearly was enough to give —

Mr Wilson: Was a random sample taken?

Dr Brown: I will certainly go back and look at the detail of that, but it was to inform their view on the number of refusals and how they were managed at the time. It is slightly dated — it is six years old — but we felt it worth looking at again.

Mr Wilson: It shows that, despite a lot of people being on the waiting list, it appears that they can take or leave a Housing Executive house. That worries me when it comes to the recommendation that we move to a choice-based letting system. Perhaps you can answer my concerns, which are threefold. The report identifies that hard-to-let properties gradually impact on other parts of an estate where it is not hard to let, because, once you get a core of that, the area becomes stigmatised. What happens to those hard-to-let areas if you move to a choice-based letting policy? According to what we have here, a large section of those on the Housing Executive waiting list think that getting a house would be dead on, but they will refuse one that did not suit them. Do we then find that hard-to-let areas become impossible to let and the areas around them become hard to let as well because you are leaving it to people's choice?

Dr Brown: My understanding of the researchers' recommendations is that, if you adopt choice-based letting and advertise a property, you are effectively advertising it to the whole waiting list at once. So, rather than working down by need, you can say to everyone, "Who would like to take this property in this area?" That should reduce the re-let time because everyone interested in a property can take a look and apply.

Mr Wilson: Properties are not hard to let because of the re-let time. Hard-to-let properties are there because people have a certain view of what the locality is like or whatever.

Dr Brown: If it reduces the time that a property sits empty, I can see it helping.

Mr Wilson: It may be that I do not get the connection, but I can think of hard-to-let areas where it is nothing to do with properties lying empty for a long time; it is to do with a lot of other factors such as the reputation of the area, people's perception of the area, the look of the place, stigmatisation because certain things have happened there or its locality between a nationalist area and a unionist area. If we move towards a primarily choice-based letting system — I understand that you are not recommending a solely choice-based approach — do those hard-to-let areas not then become impossible to let, and the problems extend further? Who is going to choose them? If you are putting them on the market on the basis of choice, the very fact that they are already hard to let will mean that nobody bothers with them.

Ms McAnulty: Choice-based letting has been traditionally associated with low-demand areas and has been used as a mechanism to increase interest in those areas. Properties in hard-to-let areas will be advertised on a website or interface of some sort. For example, those who have been classed as having very low levels of housing needs will be the type of people we would see moving into those areas. The issue of antisocial behaviour, the poor effect on an area or stigmatisation were beyond the remit of this research. We were trying to see how we could best deal with re-letting in difficult-to-let areas. The feeling is that those classed as having very low levels of housing need might have been looking in a high-demand area where, realistically, they are not going to get housed anytime soon. If they see a property advertised on the Internet, they could bid for and get that property, thereby speeding up their chance of getting a house somewhere.

Mr Wilson: That is not my experience, and it brings me to my second question. In theory, it would be good to move to a system in which people choose where they want to live. However, currently, people may feel, "Right, I have had my second offer. If I refuse the next one, I will be off the waiting list." If it were purely choice based, what would stop people just sitting there and inflating the waiting list? They would have no incentive to make a choice until the right one comes along. Would you not end up with houses lying empty because people do not choose them and, therefore, an inflated waiting list? People would no longer have any incentive to take up available properties because the two-refusals sanction will have been removed from them.

Dr Michaela Keenan (University of Ulster): There would still be sanctions in place. The evidence that we can find on choice-based lettings is that, because people have seen and are bidding for the properties that they want, the tenancies are, importantly, more sustainable and people tend to stay there longer. We will still be housing someone and, therefore, taking people off the list. If people decide to sit there passively and not bid, those houses will go past them. However, there will be people on that list who are bidding. You have to ask where the housing need of people who are not actively bidding is.

The bonus of choice-based lettings is that tenancies are created after people have actively and proactively shown that they want to live there and, therefore, they will stay there longer; that is very important. The refusal rates, which stakeholders have concerns about, are seen to be much less because people have actively bid for the properties. At the end of the day, if people are refusing choice-based lettings, sanctions can still be imposed to stop that.

Mr Wilson: Yes, but according to your own evidence, a lot of people are sitting on a waiting list. That waiting list is always quoted when it comes to searching for resources for housing or whatever. If you create a situation in which people can sit on a waiting list and wait for the right house in the right area to come up, it will be entirely up to them. It will be a passive thing, and there will be no active seeking out of those people and saying to them, "Look, there is a house that suits you. It has two bedrooms, and it is in the area of your choice." Are you not in danger of the waiting list simply being inflated by people who are sitting and waiting for their best choice? That waiting list still informs us when we look at the demand for housing. That, in turn, affects housing policy. According to your own statistics, there seems to be a tendency for people to do exactly that, even under the current sanctions system.

Professor Gray: There are two dimensions. One is this: why do we have difficult-to-let areas in the first place? As part of the report, we tried to focus on creating more sustainable and vibrant communities where people would want to live. That is, obviously, a longer-term issue that you, as politicians, will address. However, the evidence has shown that choice-based letting has reduced the number of empty properties. If you are reducing the number of empty properties, you are taking people off the waiting list. It does not matter whether someone chooses not to go for a particular property; you are housing someone and, therefore, the waiting list is reducing. The evidence that we have seen from across the water is that empty properties, including properties in difficult-to-let areas, come back into use. There is a wider question: does the current system do anything different? You have difficult-to-let areas and properties that are lying empty. We suggest that the proposals will address that.

Mr Wilson: No, Paddy. The current system helps to dissuade people from sitting on a waiting list for longer than is necessary. I say to people who come into my office, "Look, you have had two offers. You really ought to consider this third offer very seriously". You do not have that with a choice-based letting system.

Professor Gray: You can have that. We are suggesting a mechanism for allocating housing, and that could be put in. You could say, "Right, you have been sitting on a waiting list for more than six months. Why are you not applying for housing? Are you in housing need?".

Mr Wilson: That is a variation on it. I want to make two other points. I have not had time to read through the entire report, but I take it that some housing would have to be excluded from choice-based letting. For example, you would not put specialist housing on a choice-based waiting list, would you?

Dr Keenan: No, absolutely not. We foresee a review of the type of accommodation that would be offered. When it comes to specialist housing for people with dementia, for example, we suggest that that would sit in a separate system. In some cases, there is bed-blocking because we are waiting for two different assessments for people to go into specialist accommodation. Such accommodation is often assessed on the basis of medical needs, and then there are other assessments. There is no need for that. We need to try to free up the systems so that that accommodation sits outside.

Mr Wilson: OK. Let me ask about something less specific. I know that some of the most successful accommodation is, for example, blocks of flats that are occupied mostly by elderly people. I do not know how that comes about under the existing system; perhaps it is just an accident. It is not specialist accommodation as such, but I might choose to live in that block if it was all 50-year-olds. I would not choose to live in it if it was mixed with 21-year-olds and people having parties below or above me. Under the choice-based system, can you restrict who applies for a house in an area? If it

is purely choice-based, how do you stop some young fellow who wants to have parties every weekend getting into accommodation that is occupied mostly by elderly people?

Ms McAnulty: There are two methods for doing that. If you have a specific property — a ground-floor property, for example — you will be able to specify that only people in the band with a medical need are able to bid for that. If you are talking about an area, or a block of flats, for example, we already have provision for local lettings policies. We are saying that we should be making more use of those policies. You could apply a local lettings policy for a particular block of flats. It could be that it is for over-55s only, or not for under-25s, or it could be an area where there are child density issues, and you have to take that into consideration. In applying a local lettings policy, you need to have a strong rationale and each one must be individually approved by the panel if you are going to remove some properties from the list. When it comes to individual properties, however, you could say that it is being advertised as ground-floor accommodation for which only those with medical needs may bid.

Mr Wilson: I have one last question. I think it is a good thing that people can take more responsibility for their own housing and for looking after themselves etc, but there seems to be a greater emphasis in the choice-based letting system on the individual taking the initiative and being shown what houses are available. Perhaps it is because of the nature of the people we all deal with; people who can look after themselves do not come near us, but people who cannot come to MLAs. How do you cater for people who cannot go online?

Ms McAnulty: There are a lot of vulnerable or elderly people who are not familiar with the Internet. People may not have Internet access at home —

Professor Gray: Or are afraid of it.

Ms McAnulty: — or are afraid of it, so there have to be mechanisms for the more vulnerable or those who simply do not have Internet access. When someone applies for social housing, they are assessed on whether they are able to use the Internet and what increased assistance they might need. There are various methods that can be used to assist that person to bid, if necessary, or to bid by proxy on their behalf. It can be done by text messaging, by phone, in writing —

Professor Gray: Or through Citizens Advice.

Ms McAnulty: — or terminals in social security offices and things like that, so you do not need a computer in your home; you can bid in your local Housing Executive office or social security office. You need to have those things in place for an online choice-based letting system to be successful. There are many examples in England of different ways of helping more vulnerable people to engage and interact with the system.

Dr Keenan: The system itself can be programmed to bid for that person, or a housing professional can make those bids. That can easily be built into the system, and it is fundamental. On the back of that, it is useful to note that the system can be monitored to see who is bidding, which is very important, and who is not bidding and look at the reasons for that. That is very easily done because the system is so transparent. You can then review all that and build in additional safeguards.

The Chairperson: No other members are waiting to speak. I will stick my neck out a wee bit and say that I am not so sure that we have substantively dealt with the consultation process and some of the recommendations that have come out of it. Clearly, everybody has very important issues to raise and this is an issue we will certainly have to return to.

I think that there is an over-preponderance in the report of information that tells us that we are really dealing with an area where there is an over-supply and that there are more houses than people in need on the list. I do not see enough evidence on answering the question of how you deal with the situation in a number of areas — it is quite acute — where there is clearly an under-supply of homes for people who are on the list. I do not see that being dealt with in this. I do not see any sanction on the Department, the Government, the Housing Executive or anyone else to do something for someone on the list who has no choice but to move out of that area. I do not see that being properly dealt with in the report. It is my opinion that we need to come back to this for more discussion.

Mr Clarke: Based on what we have listened to, Chairman, and in addressing the choice-based letting process, there is a presumption that a lot of our houses are hard to let. As I was just saying to Sammy

privately, if there are popular houses in popular areas, the residents there know that the properties are becoming vacant before the Housing Executive does, and that house is allocated as soon as a person leaves it. We have heard today from the academics that this will prevent houses from sitting empty for so long, but the only ones that will still be empty are the ones that we know have been offered multiple times. Those are the ones that are hard to let anyway. I am concerned about that.

The Chairperson: There are other issues to be addressed.

Professor Gray: We did not say that at all.

Mr Clarke: Actually, somebody did.

Professor Gray: No, we addressed an issue on vacant properties. A specific question was asked about what do to in difficult-to-let areas with vacant properties.

Mr Clarke: Well, what you did say on that did not satisfy me. At the moment, in difficult-to-let areas, you have multiple letters of offer, but that does not necessarily address the issue of whether someone is going to take the property. If the property is difficult to let under the current system, it will equally as difficult to let under your system.

Professor Gray: All that we are saying is that the evidence from other areas shows that the number of empty properties in difficult-to-let areas has come down.

Mr Clarke: Yes, but part of the evidence shows, if you look at the figures in comparison with England, which I did not see in the report, that there is nothing statistically to say how long the majority of our properties sit empty. The popular ones do not sit empty because the uptake of them is quite quick. In areas of England, because they operate this system, properties might well be vacant for slightly longer than some of ours.

The Chairperson: We also have to recognise that communities here face particular difficulties. Something might apply usefully in England, but it does not necessarily follow that it will resolve issues here. That is the point that everyone is scratching the surface of. This is something that we will have to return to. Thank you for presenting the report and taking members' questions this morning. Hopefully, we will avail ourselves of your expertise again in the time ahead.