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# Fundamental review of Social Housing Allocations

## Rural Needs Impact Assessment: Fundamental Review of Social Housing Allocations Policy

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## Step 1: Define the Issue

Key questions to consider:

- *What are the objectives of the strategy, policy plan or service?*
- *What impact do you intend it to have in rural areas?*
- *How is 'rural' defined for the purposes of this policy/strategy/service/plan?*
- *What would constitute a fair rural outcome in this case?*

As part of the Housing Strategy “Facing the Future” (2012-17), the Department for Communities committed to carry out a fundamental review of the allocation of social housing in Northern Ireland. The Department’s delivery plan for its draft Programme for Government Indicators 8 and 48 also contains a commitment to review social housing allocations policy.

The Northern Ireland Housing Executive’s Housing Selection Scheme (in place since 2000) sets out the rules for the allocation of social housing to NIHE and Registered Housing Association homes. Evidence from independent research, consultation with a range of stakeholders and two previous NIHE consultations (to make changes to the Scheme and to address the potential impacts of welfare reform) have led to a series of proposals which aim to ensure that the Scheme meets housing need efficiently and effectively while remaining fair and transparent.

The objective is to review how housing need is assessed and how social housing is allocated. The Department aims to ensure that allocations are performed in a fair, transparent and effective manner to make best use of public resources and continue to prioritise those in greatest housing need.

The social housing allocations policy is a regional policy which applies across Northern Ireland. Pressures on the allocations system and long waiting times are concentrated in urban areas. The five anticipated outcomes of the review are as follows:

- A greater range of solutions to meeting housing need
- An improved system for the most vulnerable applicants
- A more accurate waiting list that reflects current housing circumstances
- Those in greatest housing need receive priority, with recognition of their time in need
- Better use of public resources by ensuring the waiting list moves smoothly

Improvements as a result of the proposals will mainly operate to the benefit of areas with high or very high demand for social housing: these areas tend to be urban areas, but there is no detrimental impact, relative or otherwise, to rural areas. A 'fair rural outcome' in the context of this review would be that rural and urban areas operate consistently in respect of meeting housing need, and can more effectively meet the highest levels of housing need.

## Step 2: Understand the situation

Key questions to consider

- *What is the current situation in rural areas?*
- *What evidence (statistics, data, research, stakeholder advice) do you have about the position in rural areas?*
- *If the relevant evidence is not available, can this be sourced?*
- *Do you have access to the views of rural stakeholders about the likely impact of the policy?*
- *Are there existing design features or mitigations already in place to take account of rural needs?*

The most recent Census (2011) indicates that 37% of the total population of NI live in rural areas. However, the proportion of social housing stock in rural areas (7%) remains significantly lower than in urban areas (18%).<sup>1</sup>

Figures at Parliamentary constituency level indicate that urban areas generally tend to experience higher numbers of households on the social housing waiting list, and higher proportions of households in housing stress. In most constituencies, more than 60% of those on the waiting list are in housing stress. Constituencies with fewer than 60% in housing stress are: Belfast East, East Antrim, Fermanagh and South Tyrone, Lagan Valley, Mid Ulster, Upper Bann, and West Tyrone.

The University of Ulster research commissioned for the review examined NIHE District Offices, and the proportion of NIHE allocations that were made to households in housing stress in 2010/11.<sup>2</sup> On average, 89% of NIHE allocations were made to households in housing stress. The District Offices where fewer than 89% of allocations went to households in housing stress were: Omagh, Strabane, Armagh, Lurgan, Belfast 5, Larne, Ballycastle, Cookstown, Ballymoney, Portadown, Fermanagh, Magherafelt and Belfast North.

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<sup>1</sup> NI Housing Executive, Rural Strategy and Action Plan (2016-20)  
[www.nihe.gov.uk/rural\\_action\\_plan\\_2016\\_2020.pdf](http://www.nihe.gov.uk/rural_action_plan_2016_2020.pdf)

<sup>2</sup> Ulster University Report 1: Current approaches to accessing and allocating social housing in NI, table 5, page 74 [www.communities-ni.gov.uk/sites/default/files/publications/dsd/social-housing-allocations-report1.pdf](http://www.communities-ni.gov.uk/sites/default/files/publications/dsd/social-housing-allocations-report1.pdf)

NIHE collects a range of data on an urban/rural basis. Every quarter it reports at Northern Ireland and Local Government District levels. The December 2016 figures show that:

- **14.1%** of the social housing waiting list were waiting for a home in a rural area (*5,205 of 36,984 applicants*)
- **12.85%** of applicants in housing stress were waiting for a home in a rural area (*2,996 of the 23,311 applicants in housing stress*)
- **12%** of those who were statutorily homeless were waiting for a home in a rural area (*1,918 of the 15,954 applicants registered as Full Duty Applicant (FDA)*)
- A target of **10.1% (or 162 units)** of new build social housing to be built in rural areas (*16 rural starts and 129 completions*).

As part of its Rural Strategy and Action Plan (2016-2020),<sup>3</sup> NIHE identified two factors impacting on the provision of social homes in those rural locations where they are most required:

- The identification of social housing need; and
- The identification of land which is suitable and available for social housing development.

The NIHE has committed to a number of actions to plan for, and enable the provision of, affordable homes which meet rural housing needs. These involve further work to identify and stimulate housing supply in rural areas.

The Housing Selection Scheme is a region-wide scheme, and operates consistently across urban and rural areas. There are no proposals to operate differently in rural areas, as this could involve moving away from the objective of allocating based on the highest housing need.

In respect of stakeholder views, approximately 40 consultees responded to the recommendations made by the University of Ulster, which has informed this policy review.<sup>4</sup> Eight of these consultees considered rural issues. The main area of concern (highlighted by Rural Community Network, NIHE, Northern Ireland Federation of Housing Associations (NIFHA) and Housing Rights Service) related to the introduction of choice-based letting in rural areas given issues around accessibility, in particular online connectivity.

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<sup>3</sup> NI Housing Executive, Rural Strategy and Action Plan, (2016-20)

[www.nihe.gov.uk/rural\\_action\\_plan\\_2016\\_2020.pdf](http://www.nihe.gov.uk/rural_action_plan_2016_2020.pdf)

<sup>4</sup> [www.communities-ni.gov.uk/sites/default/files/publications/dsd/prl-allocations-review-departmental-consultation-papers-pdf-version-of-responses-to-researchers-publication-version.pdf](http://www.communities-ni.gov.uk/sites/default/files/publications/dsd/prl-allocations-review-departmental-consultation-papers-pdf-version-of-responses-to-researchers-publication-version.pdf)

As the review has developed, the following proposals may have potential indirect impacts on rural areas:

- Proposal 5: A greater choice of areas for all applicants for a social home

There have been some media reports from both rural and urban areas raising concerns about residents in an area 'losing out' to applicants from outside the area in the allocation of social homes. This proposal for change may revive these concerns. However, it is a key feature of the Housing Selection Scheme that applicants may choose areas where they wish to live: this reflects applicants' employment, social or support needs, and the local geographies of Northern Ireland. Housing is allocated on the basis of this choice of area, combined with objective housing need. Restricting applicants' choice of area (for example, by 'ring-fencing' an urban or rural area so that only those within it may choose it, or by requiring evidence of a local connection to a town or village of choice), may mean that those in greatest need are less likely to be housed, and that homes are instead allocated to those in lower levels of need.

- Proposal 13: For difficult to let properties: social landlords should be able to use choice-based letting

Some concerns have been raised, as set out above, on the potential negative impact on rural areas of choice-based letting, if an online approach is used. Stakeholders have highlighted the potential for rural applicants to be disadvantaged given the disparity of broadband availability and/or access to a computer or the internet. In its policy recommendations, the Department is recommending choice-based letting for difficult-to-let properties only at this time. The proposal is to allow for greater landlord discretion: landlords must 'ensure enough support for applicants to enable them to express an interest...through a range of communication methods...'

Although stakeholder views have not yet been established in respect of rural impacts, evidence has been gathered by NIHE in relation to two of the proposals in the review. In 2015, the NIHE carried out an exercise to model the impacts of two key proposals for change:

- Proposal 7: the removal of intimidation points; and
- Proposal 10: the placement of applicants into bands based on similar levels of need to meet long-standing housing need more effectively (referred to from this point as 'banding').

These were modelled by the NIHE in a high-demand urban area, a lower-demand urban area and a town with a rural hinterland. In the urban areas, removing intimidation points had a significant impact on who would have been housed, and how long they had waited. There were no cases to examine in the study period in the rural area. The 'banding' modelling showed effects in all three areas but was more muted in the area with a rural hinterland. It was notable in the modelling that the area

with a rural hinterland saw social homes allocated to households with no, or relatively low levels of, housing need compared to the urban areas. Further information is available at Annexes B, C & D of the consultation document.<sup>5</sup>

Based on the evidence available at this time, the Department has therefore concluded that, while the impact of these two proposals will be greater in urban areas, there is no evidence of detriment to rural areas and no requirement for mitigation.

### Step 3: Develop and appraise options

Key questions to consider

- *Are there barriers to delivery in rural areas?*
- *If so, how can these be overcome or mitigated?*
- *Will it cost more to deliver in rural areas?*
- *What steps can be taken to achieve fair rural outcomes?*

There are no identified barriers to delivery in rural areas. It is considered that the fairest outcome for all households in housing need is to use a consistent system across both rural and urban areas. It is not considered appropriate to restrict applicants' choice, or to require local connections to any area, as this would move away from prioritising the greatest housing need.

### Step 4: Prepare for Delivery

Key questions to consider

- *Do the necessary delivery mechanisms exist in rural areas?*
- *Have you considered alternative delivery mechanisms?*
- *What action has been taken to ensure fair rural outcomes?*
- *Is there flexibility for local delivery bodies to find local solutions?*
- *Are different solutions required in different areas?*

The NIHE, as the Regional Housing Authority, maintains the Housing Selection Scheme as a region-wide system. Its District Office network provides Housing Solutions advice and processes applications for social housing and homelessness assistance. The delivery element is outside the scope of this review, and is addressed, where required, in NIHE's Rural Strategy and Action Plan.

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<sup>5</sup> Department for Communities, A Fundamental Review of Social Housing Allocations: Proposals for Consultation (2017) at [www.communities-ni.gov.uk/allocations-review](http://www.communities-ni.gov.uk/allocations-review)

## Step 5: Implementation & Monitoring

Key questions to consider

- *Have you set any rural specific indicators or targets to monitor?*
- *How will the outcomes be measured in rural areas?*
- *Are there any statistics or data that you will collect to monitor rural needs and impacts?*

Rural specific indicators or targets are set out by the NIHE in its Rural Strategy and Action Plan; relevant data is collected and monitored by the NIHE.

## Step 6: Evaluation & Review

Key questions to consider

- *What processes are in place to evaluate and review the implementation of the policy, strategy, plan or service?*
- *Have rural needs been factored into the evaluation process?*
- *How will lessons learned in relation to rural outcomes be used to inform future policy making and delivery?*

If the social housing allocations policy is amended as proposed, it will be monitored and evaluated by the NIHE in discussion with the Department for Communities. It is recommended that the policy is subject to regular review to ensure that it continues to effectively meet housing need.

Any review will include consultation with relevant stakeholders on rural issues. Where there are identifiable lessons learned, these will be considered as part of any review to inform future policy making and delivery.

<b>Rural Needs Impact Assessment undertaken by</b>	<b>Ciara Lynch</b>
<b>Position:</b>	<b>Social Housing Policy DP</b>
<b>Signature:</b>	<b>CIARA LYNCH</b>
<b>Date completed:</b>	<b>23<sup>RD</sup> JUNE 2017</b>

<b>Rural Needs Impact Assessment approved by:</b>	<b>Heloise Brown</b>
<b>Position:</b>	<b>Social Housing Policy Principal</b>
<b>Signature:</b>	<b>HELOISE BROWN</b>
<b>Date approved:</b>	<b>3<sup>RD</sup> JULY 2017</b>