



**Advice NI research report**

**Affordable Homes:  
Impacts of restricted access to affordable housing across tenure groups**

**EXECUTIVE SUMMARY**

**Spring 2007**



## **Vision**

Advice NI's vision is of a society of confident, informed and active citizens who can access their rights and entitlements

## **Values**

Advice NI holds a set of core values which are central to both what we do and how we do it. These values guide us in our work as a membership organization and as a staff team and influence how we engage with our wider range of stakeholders.

- i) We respect and promote the independence and diversity of our membership.
- ii) We address and represent the needs and interests of our members in a fair, flexible and equitable way.
- iii) We are accountable and transparent in all our work and actively seek ways to include our stakeholders.
- iv) We provide a quality, professional and relevant service to our members.
- v) We promote a community development approach in all our work.
- vi) We work in creative and collaborative ways in the interests of our members and those they serve.
- vii) We promote equality, social justice and well being.

## **Mission**

Our mission is to develop an independent advice sector that provides the best possible advice to those who need it most.

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## **Foreword**

It is difficult to open a newspaper, turn on a TV or listen to the radio without picking up some reference to the cost of buying or renting a home in Northern Ireland. Advice NI has been viewing this situation with some concern, particularly as advice agencies are often at the frontline in providing help to people with housing difficulties.

Advice NI welcomed the decision to conduct qualitative research into this issue. The Terms of Reference for the study were intentionally wide-ranging as this approach allowed Advice NI and its partners to explore the impact of restricted access to affordable housing across tenures.

One of the aims of the project was to deepen understanding of the extent, distribution and causes of housing inequality and how this contributes to wider social exclusion. The methodology developed by Advice NI and its partners, which is detailed at annex 1, allowed investigation of the consequences of existing policies and enabled assessment of their impact on those attempting to access housing. The relationships and contact that Advice NI and partners have established with individuals and communities enabled consideration of unintended, differential impacts that policy decisions can sometimes have for different groups in society.

The process of conducting semi-structured interviews and focus groups enabled researchers to explore and consider the impact that inability to access appropriate housing has on people's behaviours and aspirations. This permitted discussion on issues related to the promotion of mixed income, tenure developments. This enabled consideration of income levels, class and joblessness: what is the impact of segregation in terms of aspirations and learning more about indebtedness and its relationship to meeting housing costs.

Advice NI coordinated the research project and sought to involve relevant organisations to allow a wide breadth of views and issues to be considered. The various strands of the research covered affordable housing in a segregated, urban context; in a dispersed, rural context; from the perspective of people in debt; people living in poverty (whether waged or unwaged) and people in a jobless situation. Organisations participating in the project included: Belfast Interface Project, Housing Rights Service; Northern Ireland Anti Poverty Network; Organisation for the Unemployed (NI); and Rural Community Network.

Advice NI also facilitated a hugely successful eConsultation which facilitated an online debate amongst the public and all relevant stakeholders on the issue of affordable housing. The innovative use of the eConsultation process by Advice NI administrators and forum users enabled the transfer of information and signposting amongst users to advice services and organisations providing support.

My thanks to everyone who participated in the various strands of this research and to the organisations and staff that facilitated the research. I am also grateful to the inter-departmental Equality and Social Needs Research Group who had the foresight to support the project, I trust that this report will help inform the debate on the future of housing in Northern Ireland and will support policy and programme development.

**Bob Stronge**  
**Director**

## **Executive Summary**

As might have been expected, the various threads of the research highlighted widespread interest in the operation of the housing market with much anecdotal evidence that house price inflation and the consequent affordability is an issue affecting people from all walks of life in Northern Ireland.

The research attempted to reflect people's actual experiences and uncover how restricted access to housing across tenures impacts on the opportunities available to people. The qualitative nature of the research was intended to augment joint research from the University of Glasgow and the University of Ulster into the operation of the housing market in Northern Ireland which was commissioned by the Housing Executive to complement and support the work of the independent Review into Affordable Housing led by Sir John Semple.

In particular the research undertaken by Advice NI supplements the Review into Affordable Housing by providing a focus on:

- Homelessness: How affordability factors that deprive people of the opportunity to access any type of housing tenure, and in particular the experience of young single people;
- Social Housing: General issues around people's ability to access social housing for rent and in particular considering the impact of the Right to Buy scheme on access to housing now and in the future;
- Private Rented: Particularly the shortfall between private rented sector Housing Benefit and contractual rent, with other issues including the need for regulation of the private rented sector and measures to make entry into the private rented sector more affordable;
- Home Ownership: Issues related to speculation and purchase of traditional family homes for development and their impact on house prices being the single most prominent point for discussion.

The research identified other themes and differential impacts experienced by various client groups which have direct relevance to formulation of policy that responds to the restricted access to housing. Rural contributors were concerned about the impact of the restricted access to affordable housing on rural communities; the need for advice and support for people in debt due to housing costs; lone parents prevented from accessing employment due to the lack of private rented accommodation; and specific issues in relation to people from abroad, older people, prisoners, students and people on benefits or low waged incomes.

This summary report set out the key findings from the research, these are where possible linked to the discussion and recommendations contained in Sir John Semple's Final Report from his Review into Affordable Housing, a more detailed assessment of the findings from the research will support the development of housing and planning policy.

## **SUMMARY OF KEY FINDINGS**

### **CHAPTER 2: THE FUTURE NEED FOR NEW HOUSE-BUILDING**

1. Considering the length of the waiting list, an assessment should be made of the quantity of social housing stock and its ability to meet demand – particularly demand from homeless people.

***“The most distressing cases are those where, for one reason or another, families find themselves homeless. The shortage of Social Housing and emergency /hostel accommodation means that many are forced into short term private rented accommodation. Where do they find the deposit and first months rent? Those who manage the deposit often take on the tenancy in the hope that they will manage the rent shortfall in the short term and find themselves trapped in poverty with little hope of being re-housed by the Housing Executive”***

### **CHAPTER 3: PLANNING**

2. Respondents agreed that there is a need for tighter planning and regulation to hinder speculators.

***“Often it is not about speculators/ professional investors. I know ‘ordinary’ people who have managed to buy a house who then use the equity – which builds up very quickly – to expand and buy a second and third property. This is of course making it difficult for the genuine first time buyer.”***

3. The Semple Review into Affordable Housing provides an opportunity for government, when identifying rural housing need both for rent and sale, to address the singular view of only ‘individual need’ and to go beyond this to recognise ‘communities of need’.

***“People, especially first time buyers and young families are finding themselves having to leave the rural areas due to the ever increasing house prices.”***

4. Policymakers with responsibility for housing and planning need to acknowledge the strong sense of attachment to place and community in rural areas and the need to provide viable rural housing options within this context. Respondents identified a need for Government and its agencies to work along side rural communities in addressing affordable housing need.
5. Many respondents supported the use the Rural Housing Enabler model which exists in other parts of the United Kingdom. There was also substantial support for a move to *‘place shaping’* primarily through consultation rather than the current *‘objection-based’* model for planning and development control.
6. There was strong support from all focus groups and interviews for new private housing developments to integrate units of affordable housing for social renting and home ownership;

***“My daughter came home after studying in Scotland to become a nurse. Every week she checks the papers for local houses. However the price rise is pushing her out of the market and she is now thinking about returning to live in Scotland.”***

7. Respondents suggested that Government needs to progress the Shared Future agenda to promote areas that are mixed in terms of income, political and religious and ethnic background.

***“People starting to realise sectarianism won’t pay bills.”***

## CHAPTER 6: EXTENDING ACCESS TO SUSTAINABLE HOME-OWNERSHIP

Throughout the research concerns were expressed about the activity of private developers these included but were not restricted to: perceived shortages of social housing developments, concerns about the land available for development; competition with and out-bidding of local people and housing associations; rents levels in the private rented sector that that local people can't afford; void levels and the dereliction of empty homes causing blight; buying homes from former social tenants with commitments to "*life-long*" tenancies and engaging in piecemeal development without the necessary '*hard*' and '*soft*' infrastructure .

8. There should be an increased supply of affordable housing and effective schemes to support first time buyers to enter owner-occupation should be introduced;

***"It seems the [property] ladder doesn't even have a bottom rung anymore."***

9. The end-to-end process of buying a house needs to be reviewed and reformed with a view to making it easier, less stressful, cheaper and more transparent. In particular there should be measures put in place to protect both buyers and sellers during the period between the acceptance of an offer on a property and the exchange of contracts.
10. Respondents suggested that there is a need for tighter regulation of mortgage lenders to further promote the concept of responsible lending. This regulation of the '*buying power*' side of the equation should be part of a wider range of measures aimed at cooling the house price boom, otherwise it was suggested that first time buyers would never be able to afford to get a foothold on the housing ladder.

***“As the stock of the houses is limited there are opportunities for some to exploit the market to their advantage and to make enormous sums of money in the process. The market can not be allowed to operate to the advantage of the rich at the expense of those struggling to get on the property ladder.”***

11. Respondents agreed that with the point that “any economics student will tell you that increasing supply will have downward pressure on prices” and suggested that Government must place a greater emphasis on the supply of affordable housing made available to first time buyers

12. Respondents proposed a more pro-active approach to the promotion of the Co-ownership Scheme and a wider application of the scheme to address affordability problems in specific locations.

***“When a couple who are both working and on a decent salary can’t afford a house, things are very bad.”***

13. Respondents commented that better relief and support for people in mortgage arrears should be considered to address the issue of spiralling housing debt.

## **CHAPTER 7: MAKING BETTER USE OF AND PROTECTING OUR ASSETS**

14. Government should review the impact of the Right to Buy scheme and consider alterations with a view to ensuring that it is at least impact-neutral in terms of the overall level of social housing stock – including a greater commitment to buying back former Housing Executive property.

***“The lack of social housing has a huge knock-on effect for the housing market as a whole. All it does is push up demand for private***

***rented, which in turn invites more investors to the market. It's a bit of a vicious circle."***

15. Respondents expressed agreement that more should be done by Government to address the empty property situation.

***"I can look around the countryside where I live and see ten empty properties where large families used to live."***

## **CHAPTER 8: THE PRIVATE RENTED SECTOR**

16. Homeless people are particularly vulnerable and very often do not have the financial wherewithal to meet the upfront costs associated with moving into private rented accommodation.

***"Landlords profiteering at the expense of vulnerable people is not on."***

17. Efforts should be made to improve access to help and support for homeless people to retain accommodation – once secured. This should include access to advice and information on issues such as budgeting and debt management, social security benefits and housing rights.

18. The shortfall between private rented sector Housing Benefit and contractual rent needs to be addressed as a matter of urgency.

19. Consideration should be given to regulating property speculation as it impacts on the private rented sector. This regulation could include establishing a register of private sector landlords, the establishment of a formal independent dispute resolution process, an analysis of contractual rent charged, consideration given to restricting the rent chargeable to

vulnerable clients and restricting the amount by which private rents could be increased.

***“People may not be so driven to buy-to-let if they have more responsibilities and can’t dispose of the property without much thought about their sitting tenants.”***

20. Guidance materials setting out the rights and responsibilities of both tenants and landlords in respect of a tenancy should be produced.

***“How many of the new wave of investors know what they are getting into? Managing a rented house requires a fair amount of time and know-how – more than firing off bids to an estate agent.”***

21. Government should consider introducing rent capping and restricting rent increases to make private renting more affordable. Respondents also suggested that there should be no reduction in Housing Benefit related to the age of the applicant/ recipient.

***“It is virtually impossible to make ends meet on Income Support without the added pressure of making up a rent shortfall.”***

22. Government should consider policy to deliver wider access to statutory deposit/ rent guarantee schemes to both improve access to private rented sector accommodation and enhance the sustainability of private sector tenancies.

***“Rent guarantee schemes are a good idea and a much needed support for individuals with few resources.”***

## THE SUSTAINABILITY OF HOUSING CHOICES

### Homelessness

23. The points allocation system for allocation of social housing should be reviewed with a view to assisting homeless people access accommodation. Government should research the phenomenon of single people increasingly finding themselves marginalised and excluded from housing: whether that be social, private rented or ownership.
24. It should be noted that a previous consultation 'Promoting the Social Inclusion of Homeless People: Addressing the Causes and Effects of Homelessness in Northern Ireland' specifically addressed the homelessness issue. Government should follow-up on this consultation and progress policy as a matter of urgency.

### Home Ownership

25. Regarding the issue of retaining the property, many incumbent home owners have seen the value of their property escalate wildly – a situation which does not reflect any similar increase in their income. This could have a considerable impact when combined with the introduction of water and rates charges based on the value of the property. Government should ensure that adequate relief schemes are in place to protect vulnerable people who are 'asset rich, income poor'.

***“I worry for young people starting out now who commit themselves to payments far in excess of what they can afford. The sad reality is that if interest rates go up, which indicators would suggest, then many people will fall into arrears.”***

## **Housing Debt**

The issue of debt is relevant across all types of housing tenure: total UK personal debt exceeds £1.29 trillion; average household debt in UK is £8,791 excluding mortgages and £53,326 including mortgages; the average owed by every UK adult is £27,445 including mortgages. The eConsultation highlighted that borrowers are stretching themselves to the limit; that lenders are upping the amounts they are prepared to lend which is placing many people on “*the edge*”.

26. Government must acknowledge the need for additional funding to be made available for frontline debt and money advice services in NI, particularly independent advice centres targeting deprived geographical areas and vulnerable social groups.

## **HOUSING PEOPLE WITH DIFFERENT NEEDS**

### **Housing and Lone Parents**

27. Government should be concerned that lone parents are being prevented from entering employment, particularly those who move in to the more expensive private rented sector because of difficulty accessing public sector housing. The burden of excessive housing costs – which is most acute within the private rented sector – needs to be addressed with a view to ensuring that this social group can have access to employment, a route out of poverty and still retain access to housing which is affordable.

***“Many lone parents have to wait three to four years for a house in parts of Belfast – this is three to four years of the child’s life in temporary, overcrowded accommodation.”***

### **Housing and People from Abroad**

28. With Northern Ireland increasingly becoming home to migrant workers from across Europe and beyond, Government should have strategies to ensure that there is sufficient affordable housing to meet demand.

***“Migrant workers provide such a valuable resource to the NI economy. If housing affordability continues the way it is will these guys still be attracted here?”***

### **Housing and Older People**

29. Older people are increasingly being affected by the housing affordability issue – either living in over-sized homes which are difficult to maintain; or having to support their children through housing affordability issues. Government should have a strategy to address housing and accommodation issues specific to older people.

***“There is a trap at the other end of the age bracket where older people are in a property they can not manage financially but they find they can not afford to move into something smaller.”***

### **Housing and Prisoners**

30. Housing in general and housing costs in particular can be an issue for prisoners and their families. The availability of affordable accommodation should be given priority as the cornerstone of reintegration and social inclusion across all Government Departments and resources should be set aside to allow ex-offenders to access it.

### **Housing in Rural Areas**

31. It is important to recognise that growing issues of un-affordability will have a negative impact in relation to the long term sustainability of rural communities e.g. schools and services.

32. PPS14 has amplified the issue of affordable rural housing with a massive increase in the cost of available limited rural sites and houses.

***“The concern now is: who can afford to live in the countryside and what does this mean for the sustainability of rural areas.”***

33. The 30 point criteria for new build programmes (numbers of people on waiting list with 30 points or more) ) is an urban indicator and does not recognise the dispersed nature of those in poverty in rural areas. Consequently, to date this has limited the development of social and affordable housing.

### **Housing and Students**

34. The issue of student accommodation should be reviewed – with a view to enabling universities to provide affordable accommodation throughout the duration of courses.

***“Build more university accommodation.”***

### **Housing and Poverty**

35. Serious concerns were expressed about the ever increasing cost of living with no changes to income levels be they salary or benefit based. The National Minimum Wage needs to become a living wage and benefit levels need to be increased in line with average earnings.

36. Government needs to recognise that the affordable housing issue is linked to effective education / training / childcare / employment opportunities. Effective measures need to be in place to ensure that there is adequate support available across all of these areas

37. There should be more support for people returning or moving into work; the withdrawal of means tested housing benefit has a major impact on people's ability to afford their housing costs.

***“Such high rents are an additional barrier to returning to work.”***

38. Tax credits don't work for people living in rented accommodation or in Housing Executive properties. Tax credits should be ignored as income in respect of the housing benefit calculation

## **METHODOLOGY**

The research team designed a qualitative research methodology that allowed participants to shape the direction of the discussion within certain parameters. The approach was sufficiently flexible to respond to issues raised by respondents whilst fulfilling the key elements of the Terms of Reference. Advice NI and partner organisations identified various threads related to the affordability of housing across tenures; these issues were explored through eConsultation, a series of semi-structured interviews and focus groups.

### **Thread 1: eConsultation (Advice NI)**

[www.adviceni.net](http://www.adviceni.net)

Patricia Donald and Kevin Higgins, Advice NI, took the lead in this element of the research, with administrative support provided by Elkie Ritchie, Advice NI. The aim of the eConsultation was to interact with Advice NI membership, the wider voluntary sector and the general public to gain an insight into the impact that inability to access appropriate housing has on people's lives and aspirations. The eConsultation commenced on Thursday 14<sup>th</sup> December 2006 and ran until Friday 26<sup>th</sup> January 2007.

Advice NI is a membership organisation that exists to provide leadership, representation and support for independent advice organisations to facilitate the delivery of high quality, sustainable advice services. Advice NI exists to provide its members with the capacity and tools to ensure effective advice services delivery. This includes: advice and information management systems, funding and planning, quality assurance support, NVQs in advice and guidance, money advice training, social policy co-ordination and ICT development. Advice NI has over 70 member organisations operating throughout Northern Ireland and providing information and advocacy services to over 150,000 people each year dealing with over 237,000 enquiries on an extensive range of matters including: social security, housing, debt, consumer and employment issues.

## **Thread 2: Housing issues in a rural context (Rural Community Network)**

[www.ruralcommunitynetwork.org](http://www.ruralcommunitynetwork.org)

Roger O'Sullivan, Rural Community Network, took the lead in this element of the research. A qualitative methodology was used with a presentation and an agreed set of questions being developed in association with Advice NI. The research itself consisted of two sessions held in Cookstown with participants from rural Northern Ireland.

Formed in 1991, the Rural Community Network (RCN) is a voluntary organisation established by community groups from rural areas to articulate the voice of rural communities on issues relating to poverty, disadvantage and community development. The Network is a membership organisation with over 500 members. RCN is managed by a voluntary committee, elected every 2 years, made up of 2 community representatives from each of the 6 counties in Northern Ireland along with farming, environmental, district council, cross border and voluntary organisations representatives.

## **Thread 3: Housing issues in an urban context (Belfast Interface Project)**

[www.belfastinterfaceproject.org/about-vision.asp](http://www.belfastinterfaceproject.org/about-vision.asp)

Chris O'Halloran, Belfast Interface Project, took the lead in this element of the research. Structured interviews were carried out with subgroups organised by the following: Lower Shankill Community Association, Lenadoon Community Forum, Ballynafeigh Community Development Association, Short Strand Community Forum, and Suffolk Community Forum.

Belfast Interface Project (BIP) was established in 1995 with a remit to identify the major issues of concern to interface communities in Belfast and, in consultation with community, statutory and voluntary sectors, to assist in identifying effective means of addressing these issues and facilitating these processes where possible.

#### **Thread 4: Housing issues and poverty (Northern Ireland Anti Poverty Network)**

[www.niapn.org](http://www.niapn.org)

Frances Dowds, Northern Ireland Anti Poverty Network, took the lead in this element of the research. Structured interviews were carried out with subgroups organised by the following: NI Care & Resettlement of Asylum Seekers (NICRAS), Disability Action, Windsor Women's Group, Greenway Women's Centre, Older Peoples Forum North Belfast and SIMON Community.

The Northern Ireland Anti-Poverty Network was established in 1991 to create a focus on poverty. NIAPN is a Network with over 300 members drawn mostly from the community and voluntary sectors. The Network researches and publicises the extent, causes and effects of poverty in Northern Ireland. It works to influence policy makers by focusing on government policies, which impact upon poverty and stress the need for anti-poverty measures at local, national and European levels.

#### **Thread 5: Housing issues and joblessness (Organisation for the Unemployed NI)**

[www.ouni.ie](http://www.ouni.ie)

Cathy Kelly, Organisation for the Unemployed (Northern Ireland), took the lead in this element of the research. Structured interviews were carried out with subgroups organised by the following: Armagh Unemployed Group and Ballyclare Community Concerns.

The Organisation of the Unemployed: Northern Ireland (OUNI) is a federation of unemployed groups and centres, community organisations and trade unions/councils concerned with the detrimental effect that unemployment has on individuals, families and communities in the region. Established in 1996, OUNI is the sister organisation of the Irish National Organisation of the Unemployed, based in Dublin. OUNI's main aim is the realisation of a full employment society,

whereby everyone who wants to work can access decently paid and sustainable employment within a reasonable period of time. In the absence of this, OUNI campaign for policies that will genuinely improve the lives of those who are out of work.

### **Thread 6: Housing issues from an indebtedness perspective (Housing Rights Service)**

[www.housingrights.org.uk](http://www.housingrights.org.uk)

Nicola McCrudden, Housing Rights Service, took the lead in this element of the research. The methodology involved one-to-one interview with clients, all of whom were either experiencing problems with mortgage repayments or were in rent arrears.

Established in 1964, Housing Rights Service has been working for 40 years on behalf of people in Northern Ireland who are homeless or in housing need. Housing Rights Service works to promote the rights of people who are in housing need in Northern Ireland through the provision of high quality independent specialist services and by influencing policy to achieve decent, safe and affordable housing for all.

The full research report will shortly be available to view on the Affordability Review website ( [www.dsdni.gov.uk/hsdiv-housing-affordability.htm](http://www.dsdni.gov.uk/hsdiv-housing-affordability.htm) ) and on the Advice NI website ( [www.adviceni.net](http://www.adviceni.net) )

