

## Outcome of Affordability Review

**Mr Deputy Speaker:** I have received notice that the Minister for Social Development wishes to make a statement on the outcome of the affordability review.

**The Minister for Social Development (Ms Ritchie):** I wish to outline to the Assembly how I intend to deliver a range of actions that I believe will herald the beginning of a new housing agenda in Northern Ireland. I believe that everyone should have the opportunity to live in a decent, warm and affordable home. There can be no more fundamental right than having a roof over one's head, and that is why I have made the alleviation of our housing crisis my foremost priority.

On my first day as Minister, I discovered that my Department had barely the resources to start 600 new houses this year, against a target of more than twice that. However, I have since secured an additional £70 million in the current year, and I am pleased to confirm that we are on track to start 1,500 homes this year. I have been given the money, and I am building the houses.

Inheriting an inadequate budget was one thing, but accepting one would have been quite another. The initial allocation for housing for the next three years in the draft Budget was not acceptable — that was fairly obvious. What was not so obvious, perhaps, was the real damage that would have been done to the social housing development programme if more resources had not been made available.

There were many people, some of whom are sitting in the Chamber, who told me to accept my lot and just get on with it. They failed to grasp that one cannot provide public housing without public money. I am thankful that — owing to my detailed analysis and the strength of the arguments that I made — I persuaded my Executive colleagues to increase the housing budget.

They recognise the substantial contribution that the housing programme makes to the construction sector and to the overall economy. I will leave it to others to determine whether an extra £205 million to tackle waiting lists, homelessness and affordability was worth fighting for. However, I do not think that that is such a bad return for my first nine months in office.

*11.30 am*

While trying to secure a better housing budget for the next three years, I used the time to assess the scale of the challenge. Today, there are more than 38,000 people on the waiting list; more than 20,000 people are in housing stress; more than 9,000 people are officially homeless; and average house prices are more than 10 times the average income. Those are staggering and unprecedented statistics, and that is why I sought radical and unprecedented solutions.

To deliver a new housing agenda, it was clear that I needed to deliver more innovative and imaginative solutions than ever before. I established an affordability review group to

examine the recommendations arising from Sir John Semple's study into affordable housing. I brought in a panel of independent housing experts representative of all interests across the public, private and voluntary sectors to identify priorities. To complement that work, I asked Baroness Margaret Ford, former chairperson of English Partnerships, to review the financial and economic options for better delivery of social and affordable housing in Northern Ireland. That work is now complete, and I shall outline some of the measures that I am preparing to implement.

I have developed an implementation plan that identifies who, how and when each of the recommendations in the Semple Report will be advanced. Sir John Semple made 80 recommendations, and work on half of those will be under way — some even delivered — by April. I will bring those details to the Executive Committee for approval.

I am grateful to the expert panel for its insights and for its unanimous report, and I will act on some of its key recommendations. I am also grateful for the work of Baroness Ford, which includes some radical ideas for raising further capital against the social housing asset base. I look forward to advancing that work with the Department of Finance and Personnel and the Strategic Investment Board. I shall now address those issues in turn.

A starting point for the new housing agenda must be the construction of more homes. My final budget provides for the building of 1,500 homes in year 1, 1,750 in year 2 and 2,000 in year 3. Those figures represent a significant increase over previous years, and I hope to better them.

One of the key recommendations from the research is the introduction of a developer contribution. The Environment Minister and I intend to implement a policy to introduce a developer contribution to social and affordable housing. That contribution, which is a normal part of the planning process elsewhere on these islands, will require developers to provide social and affordable housing as a proportion of all new proposed housing developments. Under such an arrangement, it will also be possible to establish integrated developments so that social, affordable and private housing can be built seamlessly in the same development.

Last year alone, 2,000 homes were provided across Southern Ireland through a form of developer contribution. In time, we could secure many hundreds, if not thousands, of additional affordable homes through a similar contribution. I do not understand why such a contribution was not introduced under direct rule. I believe that that was a missed opportunity.

This is a significant proposal, and the detail of it will go out for consultation as a proposed addendum to Planning Policy Statement (PPS) 12. I expect the proposal to make a positive impact, and I am grateful to my colleague Arlene Foster for her support in introducing it as a priority.

The Housing Executive has produced an empty homes strategy, which identifies the number of public and private houses that are empty but that have the potential to be brought back into use. An action plan is being developed, through which 4,000 owners of empty dwellings will be contacted and encouraged — perhaps with the incentive of existing improvement grants — to make the dwellings available to new occupants. I

have also lent my support to the Finance Minister's proposal to levy rates on empty houses. Together, we are using a carrot-and-stick approach, and that should result in the creation of more houses.

I am also engaged in the ministerial subgroup on rural planning. In the context of a revised PPS 14, I am negotiating a relaxation in the restrictions on social and affordable housing development in rural settlements. I am confident that we will soon be able to do more for those on the waiting lists who wish to live in rural communities.

Sky-high house prices mean that one of the greatest problems facing some people is getting on to the first rung of the housing ladder. That is why I want to enhance the successful co-ownership scheme. If the scheme is enhanced, more people will look to that form of home ownership as a realistic alternative to immediate outright purchase. Last year, record numbers of people were helped on to the housing ladder through the co-ownership scheme, and I want to build on that success. From April of this year, I will abolish the limits that restrict the purchase of homes through co-ownership, and I want to amend the scheme to allow people to enter it more easily.

I want to make it possible for people to avail themselves of co-ownership by buying 25% of the value of a property as opposed to the current minimum of 50%. Furthermore, I want them to find it easier to purchase additional shares in their homes, so I will reduce the minimum increment from 12.5% to 5%. I will ensure that new eligibility criteria are in place when the changes are introduced so that people will not overextend themselves financially.

I am also conscious that there is a need to support people who are striving to stay on the housing ladder. Last year, repossession orders were served on almost 1,000 people. I want to establish a mortgage-rescue scheme that will help those people, and I will have detailed proposals in place by the summer of this year.

I have also undertaken a review of the Housing Executive's house sales scheme. The scheme has proved popular since it was introduced, and it has led to a greater mix of tenures in our housing estates — bringing about greater social and economic cohesion. However, in recent years, house sales have dropped as values have doubled. The appetite to buy remains high, but affordability is the obstacle. I want to create more pathways to home ownership. That is why I will extend the house sales scheme from 1 November this year to give all social-housing tenants the chance to own a share in their homes. I also hope to provide more social housing with the additional receipts delivered by that new initiative.

The future of housing lies in mixed tenure and in the provision of housing that will bring people together, not keep them apart. The Programme for Government was criticised for the absence of a commitment to a shared future. However, a shared future will be a central theme in all my endeavours in housing. In the education sector, many people want integration rather than segregation, and the same can be said in relation to housing. It is my intention to accommodate that desire.

I have visited the first shared future housing scheme at Carran Crescent in Enniskillen. It is well settled. Work on a second scheme, in Sion Mills, is under way, and good progress is being made on a number of other locations all over the North. It is also my

intention to advance the shared future agenda in existing housing estates, as well as in the newbuild schemes.

Regrettably, shared future housing is sometimes presented as an alternative to delivering housing where it is most needed, and that is particularly pertinent in the numerous interface territories of North Belfast.

All that I can say is that my first preference, wherever possible, is for mixed-tenure shared future housing. However, above all, we must address instances of overwhelming need.

A full equality impact assessment will be undertaken for the Crumlin Road/Girdwood site, which offers considerable scope to ease housing pressures in that part of Belfast. I want shared future housing on that site. However, if that is not possible, I will allow building to proceed. I will not allow much-needed housing development to be vetoed by those who are motivated by territorial or sectarian considerations.

I also intend to incorporate creative, private-sector housing initiatives into shared future planning.

In an effort to get more for less, from April 2008, I will cut grants paid per dwelling to housing associations by 10%. My Department's research, and the advice offered by Baroness Ford, indicates that associations could absorb that cut by making better use of their assets and by introducing more private finance, which would mean more houses for the same public investment.

Next month, I will publish a new procurement strategy for housing associations, which will be able to drive down costs by creating larger procurement groups, and I expect savings of up to 10% to be delivered through that strategy. The new strategy will also introduce improved quality and innovation in design.

Sustainability is another theme of my proposals. We must aim not only to build more homes, but better homes, and I am committed to a significant investment in sustainable low-carbon-footprint housing. All new social houses built after April 2008 will be required to meet standards that, in effect, will mean that they will be 25% more energy efficient than those built just two years ago.

By the end of March 2008, the former Grosvenor Barracks in Enniskillen will become a major £40 million regeneration project, that will include a new housing development that will set new standards in sustainable house construction — in effect, it will be Northern Ireland's first ever eco-village — and I intend that it will be an exemplar for housing schemes in the North of Ireland.

In addition to developing an eco-village with social, affordable and market housing, I want the best possible use to be made of the most environmentally friendly materials. Therefore, the scheme will utilise solar energy and ground-source heat pumps and will recycle grey water. I want to learn economic lessons and replicate that project in other parts of the North. By reducing the overall cost of the scheme, we can demonstrate that it does not have to cost the earth to save the earth.

I will promote sustainability in the private sector by making £40 million available next year for private-sector grants. In addition, I intend to increase significantly the resources available to carry out disabled-living adaptations.

Improving sustainability and energy efficiency in the private and social sectors remains a key objective in our ongoing battle against fuel poverty. In the past year alone, by directly improving energy efficiency in homes, my Department helped 17,000 families to be warmer, and the success of fuel-poverty interventions can be vouched for by the 200,000 people who are not in fuel poverty as a result of such intervention.

In order to derive the maximum possible benefits from certain interventions, I will increase my Department's fuel-poverty spending from April and introduce practical reforms to the warm homes scheme.

I have already emphasised the necessity for action in areas with the greatest housing need, and there is a community in Belfast that is looking to me to end its housing misery. Nobody would deny that some housing in the Village area is simply not fit for purpose. When I visited that area, I saw how poor some of that accommodation was, and I gained a sense of how, under direct rule, people were strung along.

*11.45 am*

I assured them that I would act, and now, three weeks after getting my budget, I am delighted to announce that I have allocated a new amount of £7 million so that work can start in the Village immediately. That investment represents the beginning of a long-term project that will lead to the revitalisation of the area and, it is to be hoped, of the community itself. The initial vesting will be authorised in the next few days, and the declaration of the Village as an urban renewal area — a decision that will kick-start the full redevelopment process — will be formalised in March. That will trigger an investment of around £100 million for the area.

Under the heading of new approaches, I have introduced efficiencies into existing programmes, as well as a range of new initiatives that will allow me to deliver more houses for less money. I will also bring surplus land on to the market for sale this year, and I am pleased to have been given an assurance that housing will be a priority area for redistributing receipts from that course of action. My Department will engage intensively with the private sector and the development community in order to advance new structures and deals that can deliver the maximum housing for the least outlay of scarce public capital. I am confident that that innovative and flexible approach — if we pursue it with vigour — can produce tremendous results in the shape of additional housing. To that end, I will examine critically the structures and capacity for delivery in my Department. I have already asked the Strategic Investment Board for its support in programme delivery.

My Department has already made a start, and it will continue to deliver more social housing. I will propose radical changes and initiatives in order to deliver a substantial number of affordable homes. In addition, we recognise that it is essential to help more people on to the housing ladder and to ensure that they stay there. The Department's priority will be to meet pressing housing need first, but that will not preclude the delivery of shared future housing for the many people who want it.

We will deliver more sustainable and energy efficient homes, including our first eco-village. We will end the long-term neglect of the Village area of south Belfast. Assets will be better leveraged, the resourcefulness of the private sector will be harnessed, and we will create the structures for delivery.

In short, we have created a radical and energetic agenda for housing, the like of which has not been seen for a generation. It has my total commitment: by working together on that agenda we can prove, once and for all, that devolution is infinitely better for our people. Coming from a party that has a proud record in housing reform, I am pleased to commend that agenda to the Assembly.

**Some Members:** Hear, hear

**Mr Deputy Speaker:** Many Members wish to put questions to the Minister. If Members keep their questions brief, and if the Minister keeps her answers to the point, we should be able to give most Members who wish to an opportunity to ask a question.

**The Deputy Chairperson of the Committee for Social Development (Mr Hilditch):** I welcome the Minister's statement, and I thank her for providing an advance copy. The Committee for Social Development has been holding its breath for some time for the Minister's response to Sir John Semple's recommendations, and, on the face of it, it would appear to have been well worth the wait. The Minister has provided details of a number of actions that I hope will go a long way towards addressing the affordable housing crisis.

The Minister's statement has injected a new sense of enthusiasm into the debate on affordable housing. There has been some frustration since the publication of the Semple Report. Many thought that there was no clear path to get us out of the affordable housing crisis and that things were not moving fast enough.

In particular, the Committee for Social Development welcomes the short-, medium- and long-term targets that have been set for the implementation of Sir John Semple's recommendations. It is important to have a clearly defined programme of actions and targets, and the Committee hopes that that will be coupled with robust monitoring and publicising of any progress that is made.

Committee members, and other Assembly Members, who deal daily with constituents who face some form of housing difficulties, believe that it is important that immediate improvements are made in the housing situation. However, it is equally important that the foundations are laid for a healthy, sustainable and affordable housing market for the future.

The Minister has said on many occasions that housing is a priority. However, I want her to tell the House what the priorities are within that general aim. Short-, medium- and long-term targets do not necessarily reflect priority. Will the Minister, therefore, clarify her priority actions for tackling the housing crisis?

Secondly, I would like the Minister to clarify what particular actions she sees as laying the foundations for improved access to affordable housing in the many years ahead.

**Ms Ritchie:** I thank Mr Hilditch for his very kind and hospitable words, and I welcome ongoing engagement with the Social Development Committee on this issue. When I first took office in May last year, I said that housing would be my number-one priority as there was an identified housing need throughout Northern Ireland.

The Member mentioned the various priorities and actions. I want to increase the number of houses and the supply of social and affordable housing through addressing the issues of developer contributions, land assets, empty homes, housing association finance and procurement. That will also involve relaxing the limits for co-ownership programmes and considering a mortgage-relief scheme, sustainability issues, the creation of an eco-village, shared future arrangements, mixed-tenure options and fuel poverty. Thus, the whole ambit is important. I need the support of the Executive, the Committee, the Assembly and the wider housing family to be able to deliver on the proposals.

I can assure the House that structures will be put in place to ensure delivery because we are now at the delivery stage, and the people of Northern Ireland expect and deserve the best quality housing. I want to have the ability to deliver such housing.

**Mr F McCann:** Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for her statement, and I welcome its contents. Given the importance that has been attached to the review, many people eagerly await the production of a strategy that will give clear signals to the wider public that the housing nightmare will be tackled seriously.

With that in mind, will the Minister tell us when we can expect the first houses to be built under the proposals for a developer's contribution? Will that be next month, next year or some years down the line? Will she ensure that developers do not use the intervening period to apply for planning permission to pre-empt the introduction of article 40 agreements. Have housing associations been advised to buy off-the-shelf houses rather than opting for newbuild to enhance the numbers for this year's programme, and does she see that approach as offering value for money?

The implementation plan, which is based on recommendations from the Semple Report, states that the targets for the Titanic Quarter should be set at 3,500 units of affordable housing, with 15% to 20% being social housing. Will the Minister explain her definition of an affordable house? Will she further tell the House if the same will apply to the Sirocco Works development in east Belfast?

Will the Minister also tell the House —

**Mr Deputy Speaker:** Will the Member get to the point?

**Mr F McCann:** They are all questions, Mr Deputy Speaker. You gave leeway to the Minister when she was answering questions, and to the Deputy Chairperson.

**Mr Deputy Speaker:** Order. I must give leeway to the Chairperson or the Deputy Chairperson of a Committee. I asked Members to be brief —

**Mr F McCann:** What I am saying —

**Mr Deputy Speaker:** Sorry, excuse me. I have in front of me a long list of Members who wish to speak, and I really want to give all Members an opportunity to ask questions.

**Mr F McCann:** Will the Minister also tell the House whether she has had a meeting with the construction industry to ask what part it will play in the creation of an affordable housing sector and in the supply of high-quality social housing? I am drawing my remarks to a conclusion.

**Some Members:** Question.

**Mr F McCann:** Will the Minister also tell us whether land under the ownership of her Department in Belfast city centre and other cities and towns will be used for affordable housing schemes on a mixed-tenure basis, and will she guarantee that any developments have the infrastructure to allow communities —

**Mr Deputy Speaker:** Order. Mr McCann, please, you must really bring your remarks to a close.

Minister, you may answer all the questions posed by Mr McCann, or you may select some questions to answer.

**Ms Ritchie:** I am glad that Mr McCann has a lot more to say today than simply telling me to stop whingeing and accept my lot, as he said to me in the Chamber in October and November of last year.

*[Laughter.]*

**Mr F McCann:** As a member of —

**Mr Deputy Speaker:** Mr McCann, are you making a point of order?

**Mr F McCann:** Yes. As a member of the Social Development Committee, I am quite entitled to comment on the statement.

**Mr Deputy Speaker:** That is not a point of order.

**Mr F McCann:** If I think that the Minister is —

**Mr Durkan:** Mr Deputy Speaker, Standing Orders provide that no points of order should be made during a ministerial statement or during questions to the Minister on that statement.

**Mr Deputy Speaker:** I thank Mr Durkan for that information. The Minister may continue.

**Ms Ritchie:** Mr McCann asked a long series of questions, the answers to all of which were covered in my statement. When I became Minister for Social Development, I said that the provision of social and affordable housing was my main priority. That was because I realised that there was an identified need for social and affordable housing, with 38,000 people on the housing list, 50% of whom were in housing stress, and a

large number of whom were homeless. Many such people could not afford to get on to the first rung of the property ladder.

At that stage, I was determined to undertake research and analysis and to establish the evidence that would enable me to implement measures to kick-start a new housing agenda. That is the basis for today's statement.

Minister Foster and I have been working since before January of this year on the issue of developer contributions. It is worth noting that the responsibility for PPS 12 was transferred from Minister Murphy to Minister Foster only in January of this year.

I will ensure that delivery is now part of my vocabulary and part of my action. Indeed, that should be part of everyone's actions. I want to address housing need wherever it exists throughout Northern Ireland, irrespective of location.

**Mr F McCann:** On a point of order, Mr Deputy Speaker.

**Mr Deputy Speaker:** The Member must resume his seat.

**Mr F McCann:** The Minister did not answer any of my questions.

**Mr Deputy Speaker:** Points of order cannot be taken during questions to the Minister.

**Mr F McCann:** You took a point of order from your party leader.

**Mr Deputy Speaker:** I took a point of information. I am sorry that you have referred to a party leader. I am chairing this sitting in an impartial capacity. There is a long list of Members who wish to ask questions. Without apology, I ask Members to be brief when asking questions.

**Mr Cobain:** I notice that you said that before I rose to speak.

I thank the Minister for all her hard work on this issue and for her statement. I welcome some of the new and innovative measures that she outlined in her statement. However, I am cautious about getting too optimistic about the housing difficulties being solved. The deficit in social housing is so great that what was outlined in today's statement should be considered as only a first step.

Developer contributions should be welcomed. Some 80,000 homes were built last year in the Irish Republic, 2,000 of which came from developer contributions, which represented a little over 2%. If the equivalent figure is applied to the targets that have been set for Northern Ireland, that would equate to developers contributing just over 100 homes, which is not a tremendous number.

The Minister specifically mentioned North Belfast, and the issue of a shared future. As an Assembly Member for that area, I am aware that a shared future can grow organically — I welcome and support that. However, any attempt to enforce integration through housing in North Belfast will damage community relations in that area in the long term.

In a recent newspaper interview, the Minister of Finance and Personnel said that the 5,250 new homes that were announced by the Minister were in addition to the 10,000 new homes that were announced in the Programme for Government. Will the Minister comment on that statement?

**Ms Ritchie:** I thank Mr Cobain for his kind words. The 5,250 new houses will be built during the three years of the comprehensive spending review. The 10,000 new homes that were referred to in the Programme for Government will be built over the next five years. That is my intention, and, if at all possible, I am determined to better that.

I have taken on board and listened to what Mr Cobain said about North Belfast and about the particular problems of that area.

*12.00 noon*

I am anxious to ensure that there will be equality in all opportunities offered on the Girdwood site, such as social and affordable housing, recreation and jobs, because I simply want people to be able to live, work and socialise together. I know that Mr Cobain agrees with me on that issue.

Mr Cobain asked me about developer contributions. I have been to London and Dublin — and I know that Minister Foster has been to Poundbury — to see at first hand good examples of developer-contribution housing schemes being implemented. In London, I visited seamless housing schemes in Tower Hamlets, Shepherd's Bush and Greenwich. In Dublin I visited a major regeneration scheme that is under way at Ballymun, Finglas and Dublin Docklands. In all of those cases, no one would be able to identify the houses that are in full ownership, those that are socially rented and those that come under the shared equity scheme. I commend all of them as places for Members to visit.

I take on board Mr Cobain's comments on integration. Everything will work out, and I think that I have the support that I need from every Member to deliver the housing programme. That programme will ensure the provision of houses to enable people to access the most cherished thing in their lives — a roof over their heads.

**Mr Deputy Speaker:** Before calling Alban Maginness, I remind Members and the Minister to be concise and stick to the point.

**Mr A Maginness:** I will be as succinct as possible. I welcome the commitment to meeting housing need in north Belfast, particularly at the Girdwood site, which should be a shared future site. The Minister's proposals are innovative, creative and have the capacity to transform the housing market in Northern Ireland.

When will the Minister be in a position to provide details on her proposal to allow existing tenants in Housing Executive or housing association properties to purchase a share of their homes, thereby becoming co-owners of those homes?

**Ms Ritchie:** I thank my colleague Mr Maginness for his kind words. I want that co-ownership scheme to be implemented by November 2008

**Ms Lo:** I warmly congratulate the Minister on introducing the housing agenda. The Alliance Party is particularly pleased by her commitment to making a shared future the central theme of her endeavours to meet housing need.

I am delighted by the Minister's commitment to promoting work in the Village. Previous Ministers repeatedly promised to bring work to the area, and I am pleased that there is now a timetable for work to begin.

Last week, I met representatives from the Housing Rights Service, who were extremely concerned about the level of repossession, to which the Minister's statement referred. They also told me that firms are springing up and are offering to buy homes from people who face the difficulties associated with repossession. I want to hear more about the statutory mortgage-rescue scheme that is mentioned in the Minister's statement.

**Ms Ritchie:** I thank Ms Lo for her encouraging comments. I am aware of the number of repossessions last year, all of which are due to the lack of affordable housing. My Executive colleagues and I want to tackle the issue of affordability, and I will introduce proposals later this year for a mortgage rescue scheme. I understand that a no-day-named motion is due to be debated in the Assembly, which reflects that a wide section of the House is concerned about repossession.

**Mr Newton:** I thank the Minister for her statement. I am pleased that she gained the Finance Minister's support during the Budget discussions and secured an extra £205 million for her departmental budget.

I particularly welcome the Minister's statement that she has looked for radical and unprecedented solutions. I ask her to consider a fast-track method for delivering housing, whereby houses that have already been built be put on the market for sale. Will she consider purchasing such houses for public-sector use?

**Ms Ritchie:** I thank Mr Newton for his questions. I thank the Finance Minister for listening to the reasoned representations that I made to him over a considerable period, which resulted in a substantial increase in my budgetary allocation.

I take Mr Newton's comments on board. I must have further discussions with Minister Foster about planning issues to ensure that there are fast-tracked planning applications for many housing developments, which will add to the supply of houses. I will have Mr Newton's suggestion investigated, and I shall respond to him in writing.

**Mr Brady:** Go raibh maith agat, a LeasCheann Comhairle. I thank the Minister for her statement. I welcome her commitment to the regeneration of the Village area of Belfast. As she is aware, my colleague Alex Maskey has been working with the local community in the Village to see that that area is regenerated.

Does the Minister intend to extend the role of the private-rented sector in the provision of social housing? Can she confirm that the resolution of the Assembly on the mandatory registration of private landlords, which called on her to draw up a policy on the issue, is not on her agenda for the foreseeable future? How will the introduction of the local housing allowance, which will — in many cases — reduce housing benefit paid to claimants, impact on the ability of tenants to pay the exorbitant rents in that sector?

**Ms Ritchie:** The local housing allowance was discussed at last week's meeting of the Social Development Committee, of which Mr Brady is a member. At that meeting, I said that I was happy to return to the Committee to discuss that issue, and that I understood the Committee's concern about potential winners and losers. I said that I was receptive to any ideas that Committee members might have about resolving that issue, and my officials and I are exploring all the options. Members are aware that parity is also an issue, and, if matters change, there will be some implications for my budget.

I have asked my officials to explore the issue of mandatory registration for landlords, and I have not come to any formal view.

Members will recall that my predecessor, Minister Hanson, introduced The Private Tenancies (Northern Ireland) Order 2006, which dealt with the private-rented sector. That Order creates a direct association between houses of multiple occupation (HMO), and the environmental-health departments of city, district and borough councils. I have asked my officials to assess the implications of that Order and how well it is working after nearly a year in operation. I await that assessment before coming to a formal view. I commend my new agenda, which is aimed at kick-starting the housing sector and delivering houses for people in need.

**Miss McIlveen:** Does the Minister acknowledge that the regeneration of the Crumlin Road jail and the Girdwood site can proceed only with cross-community support? Does she agree that the concern in unionist communities of North Belfast about housing on that site is not based on sectarianism, but is influenced by the sectarian ethnic cleansing carried out by republicans in the Torrens area, where vulnerable Protestant families were driven from their homes? Can she confirm that she cannot proceed without the support of other Ministers and the Executive?

**Ms Ritchie:** I have given considerable thought to the master plan for the Girdwood and Crumlin Road sites. I launched the consultation process for that master plan on 16 October last year, and the consultation period closed around 22 January this year. I have received almost 800 responses to the consultation. After taking into consideration a wide range of views throughout North Belfast, and after listening to the Adjournment debate secured by my colleague Mr Maginness yesterday, to which some of the Member's party colleagues contributed, I am convinced that there is a need for shared, equal housing on the Girdwood site. Everyone who contributed to yesterday's debate told me that they wanted to see housing in the context of a shared future.

I will have to introduce a paper to the Executive on the future of the Girdwood and Crumlin Road sites. That is a cross-cutting issue. I have already said that I will do that, and I hope to introduce that paper in the not-too-distant future.

**Mr McGimpsey:** I thank the Minister for the personal interest that she has shown, particularly in the Village area of South Belfast — the largest concentration of unfit housing anywhere in Northern Ireland. I welcome her announcement of £7 million to begin the long-term project. Had she accepted the draft Budget, as many people urged, that announcement could never have been made. I also welcome the authorisation of the initial investment, the declaration of the urban renewal areas, and her remarks that trigger a £100 million process. That is music to the ears of the Greater Village

Regeneration Trust, the people who live in that area and those of us who have battled on that issue for many years.

How does the Minister see the process moving forward? I represent an impatient community, and it wants to see houses being built. What is the process for the delivery of that £100 million redevelopment?

**Ms Ritchie:** I thank Mr McGimpsey for his kind words. At his invitation, I visited the Village area with him and the Member of Parliament for South Belfast, Dr McDonnell, on 14 June 2007. I have had an opportunity to meet members of the Greater Village Regeneration Trust, along with a section of the local community and many other people, over the last few months. I was struck by the housing conditions that I witnessed in that area, and I wanted to do something to alleviate the problems that those people have suffered.

As a result of my decision today, I have instructed my officials to work on the Village area as a priority. I have also urged the Housing Executive to ensure that it deals with that issue not only at its board meeting tomorrow, but at its subsequent board meeting in March. That board meeting will deal with two separate papers on the Village area.

My Department and the Housing Executive are charged with the need to address housing conditions in that area, and we will work collectively. We also want to work with Mr McGimpsey and the other representatives for South Belfast to kick-start the building of new houses and a new housing and regeneration agenda for the Village area that will deliver a better sense of health, well-being and better housing, and will create a series of opportunities for current and future generations.

*12.15 pm*

**Mr Burns:** Will the Minister gift many sites to local communities as she rolls out her housing agenda?

**Ms Ritchie:** Consultation with local communities will be paramount in any housing or regeneration development that I will undertake. Housing and regeneration are interlinked, because they deliver a better sense of health and well-being. I do not see how a proposed development can be successful without the support and buy-in of local communities such as those in the Village or North Belfast. In addition, any significant development will be subject to full equality proofing, and an equality impact assessment will be necessary.

Having said all that, I know that it is natural that many communities would wish to take control of some available sites for community purposes. However, I must accept that, in a time of inflated land prices, such sites are valuable assets, and, as a rule, I cannot pass them on to communities for community use.

When a suitable site becomes available, my first instinct will be to build social and affordable housing on it. Although most building will be done by housing associations through the Housing Executive's social housing development programme, I will be seeking mixed-tenure developments and more involvement from the private sector; private-sector involvement is crucial. I seek partnership among the Housing Executive

— as the strategic housing authority — the housing associations, my Department and the private sector to deliver a new housing future for the people of Northern Ireland and for future generations.

**Ms Ní Chuilín:** Go raibh maith agat, a LeasCheann Comhairle. I welcome the Minister's statement. I am delighted that we are discussing social and affordable housing and North Belfast less than 24 hours after a debate in the House on housing need in that area. I am delighted that some of our colleagues in other parties have recognised the historical inequalities in housing in North Belfast.

Will the Minister assure the House that, given that an equality impact assessment was not conducted before Christmas, it will be carried out now on the regeneration of North Belfast and the housing needs of the people who live there, and that it will reflect the needs of those on the housing waiting list? Will she also assure the House that integrated housing schemes will be developed only where demand exists and that integrated housing will not be imposed on people as their only option for attaining a home? Go raibh maith agat.

**Ms Ritchie:** I gave a detailed response yesterday to the issue of housing in North Belfast. I wish to address housing on the basis of need. There is significant housing need throughout Northern Ireland. I am well aware of the housing inequalities in North Belfast and of the need to continue to address the regeneration and housing requirements of that area.

I honestly believe that, given the bedding down of the political institutions and current, continuing peace and stability, we are all required to contribute to that to ensure that people feel safe in their own environments. It is incumbent on us all to move towards a situation where people can live, work and socialise together, because that is the future for everyone. It is not a matter of imposition; it is a matter of simply ensuring, through time, that we can all live in partnership. If we can share power here, there is nothing to stop us encouraging people to live in partnership in all our communities.

**Mr Craig:** I warmly welcome some of the Minister's comments. With regard to the contribution of private developers, is she aware that in some areas, including my constituency, much land banking has taken place in the past few years, and there are many planning applications in the system? The impact of the contribution of private developers could take more than five years to impact on social housing provision in such areas.

Will the Minister take that on board and consider more proactively purchasing land in areas where those circumstances have applied?

I welcome the fact that she will consider a mortgage rescue scheme. This is the only area in the UK where a not-for-profit scheme does not exist, and that has a significant impact on the housing market, to the detriment of the public purse.

Will the Minister also examine the warm homes scheme and perhaps market more proactively renewable energy sources? At present, the choice is between oil-fired or gas-fired central heating, but renewable sources, such as woodchip boilers, are available.

**Ms Ritchie:** I thank Mr Craig for his questions, and I know that he always takes an interest in those matters in the Social Development Committee. I take on board what he says about land banking. The Minister of Finance and Personnel's proposals on empty homes and house banking will take account of that.

Both Minister Foster and I are aware of the impact of private-developer contributions. We both want to ensure that those proposals are advanced as quickly as possible in order to ensure an increase in the supply of social and affordable housing in Northern Ireland.

Mr Craig has tabled a motion on the no-day-named list about a mortgage-relief scheme. We all know of people who have had their houses repossessed. It boils down to affordability: we want to help people who are in trouble because our society is caring, and I would like to think that all Members of the Assembly are caring.

I want to explore all the available options to ensure that people do not find themselves suffering as a result of cold either this winter or in future winters. I need the support of all my Executive colleagues to explore those options. I will therefore consider any scheme that any Members propose to me.

**Mrs McGill:** Go raibh maith agat, a LeasCheann Comhairle. I, too, welcome the Minister's statement. I commend her and her Executive colleagues for the work that has been done. As the Minister said in her statement:

*"I have been given the money, and I am building the towns."*

Therefore, more than one Minister is to be commended.

Mr McCann asked about developer contributions. The Minister replied that the answer to that is in the statement. However, I cannot see in the statement when the strategy will be implemented. The advisory panel that worked on the scheme said that a medium- to long-term delivery mechanism would be implemented. It also said that a consultation will be held on PPS 12 and that an implementation-skills group will be set up.

I ask the Minister whether she can provide the House with a time frame. Is it a medium- to long-term solution? In her response to Mr Craig, I believe that she mentioned five years. Go raibh maith agat.

**Ms Ritchie:** Both Minister Foster and I want to introduce developer contributions. I said about 20 minutes ago that Minister Foster received PPS 12 from Minister Murphy only in January this year. Minister Foster would have been able to advance those plans had it not been for the considerable delay in the transfer of that particular planning policy statement. We will make proposals to introduce developer contributions later this year, and I hope that that will happen sooner rather than later.

Every Member wants the supply of social and affordable housing to be increased. My solution is simple: let us all get on the bandwagon now and address the affordability issue, alleviate the housing crisis and ensure that everyone has access to a roof over their head, which is the most fundamental requirement for daily living.

**Mr Shannon:** I thank the Minister for her statement. Her interest and enthusiasm are clear, and I welcome that. The Minister mentioned that she has been in discussions about PPS 12 with Arlene Foster, who is an equally enthusiastic Minister. Is there a timescale for the completion of those discussions?

What bodies will be involved in the mortgage rescue scheme: the benefit offices, the Department or the co-ownership schemes?

The Minister said that she will make an extra £40 million available for private-sector grants to promote eco-friendly housing. I am concerned about slowness in the paying out of those grants. Some people have said that they are out of pocket for a long time before the grants are paid. Along with Enniskillen, a good eco-friendly scheme is coming to Newtownards in the Strangford constituency — I never fail to mention Strangford, if possible.

**Ms Ritchie:** Mr Shannon never fails to mention his constituency of Strangford. Some weeks ago, I visited that constituency at his kind invitation. I examined various housing schemes, including Scrabo, which I previously designated as an area of risk. He mentioned improvement grants; those are important to people who wish to rehabilitate and improve their properties. I want to have further discussions with the Housing Executive to ensure that — all things being equal, and all the information being available — those grants can be expedited, because people need them to achieve a better standard of housing.

I heard comments from the Benches behind me to the effect that I did not answer an earlier question on developer contributions. Along with Minister Foster, I am doing everything that I can to ensure that developer contributions will be introduced as quickly as possible. That includes putting out a scheme for consultation, and I will also ensure that the resources and staff will be available in my Department to deliver the introduction of developer contributions. We want to work with developers; I have had various discussions with the chief executive of the Construction Employers Federation, who is in the Public Gallery today to listen to the debate. We all want to work together to deliver the best possible housing agenda for all citizens across Northern Ireland. It is particularly important to deliver that for people who are in housing need, people who have been on the waiting list for a long time, people who are homeless and, above all, people who have been trying to reach the first rung of the property ladder.

**Mr Durkan:** When Mr Shannon was asking the previous question, I was waiting to hear the Ulster Scots for “eco-village” and “sustainable living”. Perhaps we will be educated about that on another day.

I commend the Minister on her positive and comprehensive statement, which entirely vindicates her success in the Budget round. Her strategy is articulate and touches on issues of sustainable living, a shared future, fuel poverty and the complicated issues of developer contributions.

Is the Minister confident that the existing delivery structures that are available to her Department are adequate for the strategy? What other means will she consider to ensure that she, the House and the Social Development Committee are in a position to

track and back delivery of the strategy? Will the strategy be able to overcome delivery black spots when they arise, whether through developer resistance, difficulties that housing associations may have with new procurement issues, or variations in market conditions?

**Ms Ritchie:** I thank Mr Durkan for his question, which has hit on the nub of the issue. The strategy is entirely concerned with delivery. I have had discussions with my senior housing officials, the Strategic Investment Board and the Housing Executive about the principal matter of delivery.

That is why, as I have said, I will be looking critically at the structures and capacity for delivery in my Department, including staff resources, and I have asked the Strategic Investment Board for its support in the programme's delivery.

I have instructed my officials to provide a week-by-week report on the programme's implementation to ensure that we hit all the targets. I assure all Members of this House that I am determined to leave no stone unturned to ensure that delivery is the top priority, that structures are in place to make sure that it happens and that there are houses to live in for those in urgent need.

*12.30 pm*

**Mr Simpson:** I welcome the Minister's statement; however, in the Portadown area of my constituency, there are 761 applicants on the waiting list, approximately 750 between Lurgan and Central areas, and more than 800 in the Banbridge area.

Will the Minister define how her Department will identify the areas in which affordable housing will be built?

**Ms Ritchie:** I thank Mr Simpson for his kind words and for his pertinent question. Everything concerning the location of future social and affordable housing will be done on the basis of need, a matter that all of us in this House want to address. The direct rule Administration took their eye off the ball as regards the much-needed provision of social and affordable housing. This House wants to deal with that issue and is equipped to do so. As the Minister, I very much want that.

**Ms Anderson:** Go raibh maith agat. I welcome the Minister's statement and the comments on delivery. In that context, will the Minister explain whether her statement can address the massive social housing need in Derry, where, currently, 2,300 people are on the waiting list?

Does the Minister have any plans to intervene to address the benefit gap? Tenants who are unable to secure social housing are forced to go to private landlords, who charge rent above and beyond the amount those people receive in housing benefits, again forcing tenants into severe poverty.

**Ms Ritchie:** I thank Ms Anderson for her question. To put it simply, I want the capacity, ability and structures in place to build an increasing supply of social and affordable housing so that no one will be forced into the hands of private landlords or left with that

as the only option. We want to build more and better houses for allocation on the basis of need.

**Mr Spratt:** I, too, very much welcome the Minister's statement, particularly concerning the Village area. She has done much work since taking office, after many false promises from direct rule Ministers, and I congratulate her.

I welcome the announcement of an initial £7 million, with a continuing programme of £100 million. I have previously made the point in the House that there are over 400 vacant properties in the Village, and it is important that we do not get into a situation where there are logjams along the way. Will the Minister ensure that her officials will consult fully with the entire Village community — including homeowners — and ensure that the rolling-out of the programme will be continuous, with no hold-ups?

**Ms Ritchie:** Mr Spratt is an MLA for South Belfast, so I am well aware of his concerns about the Village area. He has spoken to me on several occasions about the matter, and has tabled certain questions, to which I have supplied answers. I want, and have instructed, my officials to work closely with the Housing Executive and all stakeholders in the area to ensure the delivery of a good housing-regeneration programme that improves the lives of all who live there. When I visited the area, I saw the number of empty properties and the level of dereliction. I want to address the issue urgently, and that is why I have made my announcement today.

**Mr W Clarke:** Go raibh maith agat, a LeasCheann Comhairle. I welcome the Minister's statement and pay tribute to all her endeavours. I also pay tribute to the Executive and the Committee for Social Development, including Fra. [Laughter.] Social and affordable housing is a priority for all in the House. We all agree with the Minister and are behind her.

I also welcome the eco-village concept. A need to provide quality sustainable housing exists. I have raised the issue of the sustainability of her programme with the Minister a number of times. Can she outline what discussions she has had with the Minister for Regional Development, Conor Murphy, on infrastructure that will ensure social inclusion, including rural public transport and adequate public transport to services? Does she agree that we need to build quality housing and communities, not the huge estates of the past?

**Ms Ritchie:** I welcome Mr Clarke's Damascene conversion. He was one of the people who said that I was whingeing and could have accepted my lot. In various newspapers throughout South Down, he criticised me for being a little bit too indulgent. Notwithstanding that, we welcome latter-day conversions on the matter.

I am fully aware of the Member's knowledge of, and interest in, eco-villages and zero-carbon housing. We will all be working towards a more sustainable future for housing. I will discuss with all my Executive colleagues the proper infrastructure that is required to deliver the best possible housing programme in Northern Ireland. I am sure that they will want to discuss their own infrastructure issues with me.

**Mr O'Loan:** I congratulate the Minister on her statement. Everyone will welcome the many practical measures to deal with the housing crisis.

I welcome her comments on a shared future. Can she provide any more detail on her plans to create shared-future mixed-community housing developments? Does she agree that achieving a shared future in housing is not something that can be done in isolation? It will require concerted action across all Departments. Does she further agree that that places a big responsibility on all in the Assembly? That includes when it comes to making requests to hold events in the Building.

**Ms Ritchie:** I fully agree with Mr O’Loan about a shared future. It does not simply mean living in a shared future on a housing estate but a shared future in all our actions, works and representations. I very much like the Carran Crescent housing scheme in Enniskillen, which I visited in December. Shared-future schemes will be coming on stream in Loughbrickland and Sion Mills. There are proposals for such schemes in Ballygowan, Banbridge, Rasharkin, Derry and Magherafelt.

I am also interested in the need for more integration in existing housing estates. The Member may already know that the Housing Executive is pursuing about 30 schemes for integrated housing, with the help of funding from the International Fund for Ireland.

It is a building bridges programme, which all Members should subscribe to and work towards. With the bedding down of the political institutions, we want to achieve a better shared future for everyone on the island.

**Mr Storey:** I welcome the Minister’s statement, but I wish to ensure that there is some clarity and accuracy. The Minister was pleased to confirm that her Department was on track to start building 1,500 new homes this year. She said:

*“I have been given the money, and I am building the houses.”*

However, she got that money, with no thanks, or help, from her party colleagues, as they abandoned her and voted against the Budget. Therefore, on a point of accuracy, the Minister voted with us through —

**Dr McDonnell:** Is this torrent of abuse in order?

**Mr Storey:** I am making a point about accuracy.

**Mr Deputy Speaker:** Dr McDonnell, please resume your seat. Mr Storey, I am sure that you were in the Chamber when I said that questions should be brief and to the point so that we could get through the list of Members who wish to speak.

**Mr Storey:** Thank you, Mr Deputy Speaker, but I would not want the day to pass without our saying something accurate. I particularly welcome the Minister’s attempt to bring clarity and detail to her announcement — the Minister of Education, who is absent, would learn a lesson from that exercise. Therefore, I commend the Minister on that point. Will she assure me that areas in my constituency of North Antrim, such as Ballymena, Ballymoney and Ballycastle, will benefit as a result?

Methods of identifying areas of need should not miss the pockets of deprivation that may be hidden. Such areas have been missed in the past, because they are among

areas of affluence. The issue is serious, and the Minister is well aware of that. She visited Dunclug, and I welcome her continued efforts to ensure that that project gets off the ground. Will she also give me some indication —

**Mr Deputy Speaker:** Will the Member please come to the question?

**Mr Storey:** Thank you, Mr Deputy Speaker. Will the Minister give me some indication of how many off-the-shelf properties will be acquired in an attempt to achieve the targets that she is seeking for the incoming year?

**Ms Ritchie:** In spite of the barbed comments from Mr Storey —

**Dr McDonnell:** They were nasty comments.

**Ms Ritchie:** I would call them barbed comments.

I have always said that housing is my number-one priority, and I want to deliver the best quality housing for people in need across Northern Ireland. Last month, the board of the Housing Executive approved a multi-million pound environmental improvement scheme for Dunclug, which I hope will deliver a better environment and a better way of life for residents. In fact, I met Mr Storey, along with Mr O'Loan and Mr McKay, on a couple of occasions to discuss the pressing problems in Dunclug. I visited the area in September 2007 and saw at first hand the levels of dereliction that we all wish to address.

Robin Newton and Fra McCann talked about buying off-the-shelf houses, rather than building them, and I think that is what Mr Storey was referring to. I want housing associations to build new houses, rather than buy them off the shelf. It is 30% more expensive to buy homes rather than to build them. There may be some short-term gain in buying already built houses, but the long-term costs make building new houses cheaper than buying homes already built.

**Ms J McCann:** Go raibh maith agat, a LeasCheann Comhairle. The Minister said that there will be a cut of 10% per dwelling paid to housing associations. How much additional money will that provide to our Department every year?

**Ms Ritchie:** I thank Ms McCann for her question, which referred to a 10% reduction in the grant to housing associations.

That reduction will provide me with a significant resource that I would not otherwise have had. I hope that that will be invested in the social housing development programme in order to build houses for those who are in need.

*12.45 pm*

**Mr Deputy Speaker:** I call Mr William McCrea to speak, and I ask him to be brief, because we are coming towards the end of our time for this item of business.

**Dr W McCrea:** I think that only six minutes remain for this item of business, so I will make my question short.

I welcome the Minister's statement. Some areas and constituencies in the Province are regarded as affluent. However, there are areas of deprivation in every constituency; for instance, there is a need for social housing in Ballyclare. In my constituency of South Antrim, we are trying to cope with constituents' daily applications and enquiries about housing. However, the houses are not available for my constituents, regardless of whether they are being sought in Antrim or Newtownabbey. Although I welcome the Minister's statement, will she do all that she can to generate a greater number of social houses for those areas?

**Ms Ritchie:** I thank Dr McCrea for his question. He and I met about five or six weeks ago to discuss the pressing housing issues in Newtownabbey and Ballyclare. I will take those matters on board, and I will talk to the Housing Executive.

I know that this item of business is nearing conclusion, but I remind the House that it is my earnest desire to have the funding available to build the required houses in areas of need. I hear rumblings about people not understanding the housing issue or not knowing what they are talking about. There is one thing, however, about which we are all absolutely sure: there is an identified housing need across Northern Ireland, irrespective of geographical location or whether an area is urban or rural. The need for housing was neglected by the direct rule Administration, and my officials and I — as well as the Executive, the wider housing constituency and the Assembly — want to address that need. That means that we have to increase the supply of social and affordable housing.

I have received the funding to provide 1,500 houses this year, 1,750 next year and 2,000 in the third year. If I receive the funding to better that, I want to be able to build even more houses. I have no doubt that the reduction of the grants to the housing associations will provide me with the funds to do some of that work.

**Mr Deputy Speaker:** That concludes the Minister's statement and questions. The House may be interested to know that 24 Members had an opportunity to put questions to the Minister, and I thank them for their co-operation.

The Business Committee has arranged to meet immediately upon the lunchtime suspension today. I propose, therefore, by leave of the Assembly, to suspend the sitting until 2.00 pm.

*The sitting was suspended at 12.48 pm.*