

Stock Transfer

Derry City & Strabane District Council

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What is Stock Transfer?

- Transfer of the ownership and management of public sector homes to housing associations
- Part of mainstream housing policy in GB
 - To secure investment in social housing
 - Housing Associations can use private borrowing
- Article 88C of the Housing (NI) Order 1981 allows NIHE to dispose of tenanted properties subject to the consent of the Department for Communities
 - Requirement to demonstrate that a majority of those affected do not oppose a transfer proposal

Why was Stock Transfer considered?

- NIHE's aim is to bring all of its homes up to - and maintain them at - modern standards
- NIHE's capital improvement programme ended in 2008/09 on funding grounds
 - Outstanding MEI schemes not able to be delivered
- DSD/NIHE Working Group to explore stock transfer
 - Successful pilot schemes at Rinmore, Derry/Londonderry and Bloomfield, Bangor following extensive tenant consultation exercises
- 2,000 dwelling transfer programme included in *Facing the Future: Housing Strategy for N.I.*

NIHE Programme

- Originally a large number of small schemes
- 2014 DfC/NIHE Review of the project
 - Re-configuration of the programme into 6 estate-based transfers (included Rossville)
- Two estates taken through transfer process (i.e. HA appointment and consultation exercise)
 - Grange, Ballyclare – rejected by tenants in 2017
 - Ballee, Ballymena – rejected by tenants in 2018
- Project suspended by DfC in October 2018
 - But not yet formally terminated
- Estates reinstated in NIHE investment programme

Review of tenants' rejections

- NIHE tenants wary of housing associations
 - Particular concerns over HA rents
- Tenants did not fully appreciate the rationale for transfer
 - Many properties did not require significant work
 - Content with short term NIHE investment
 - NIHE's funding dilemma is not a major public issue
- Degree of apathy
- Pro-active and effective anti-transfer campaign

Current investment position

- Revised investment approach agreed with DfC in 2017 ended in October
- Imperative is to develop a long term solution to NIHE's stock investment funding requirements
 - Project a £1 billion shortfall over the next 10 years
 - The future of SHRP, capital funding allocations and rent increases remains uncertain
 - *New Decade, New Approach* proposals
- NIHE assessing strategic options for future investment in its stock
- Could stock transfer be resurrected? Possibly.

Questions