

2016 NHMF Study Tour

Regeneration in Ireland

Meeting at the Titanic Centre

The study tour began on Wednesday, 12 October, with NHMF Members from all over the UK meeting on the top floor of the Titanic Centre in Belfast. During lunch they were joined by a number of representatives from housing associations in Northern Ireland.

The meeting was chaired by Shaun Aldis, who introduced the NHMF. Paul Isherwood, an NHMF Committee member and Director of Asset Management, Northern Ireland Housing Executive (NIHE), announced the creation of an all-Ireland branch of the NHMF. This branch would be used to promote good practice in social housing across the island of Ireland. Its objectives would include sharing knowledge; raising the profile and professionalism of the sector; driving innovation; and organising events and conferences.



Arriving at the Titanic Centre



Overlooking the dock where Titanic was built

With thanks to Dave Treanor for collating information from the Study Tour, for sharing his photographs and for producing the bulk of this report. Also thanks to Craig Oosthuizen and Liz Circuit for proof reading and editing the material.

Community Cohesion & Social Enterprise (Ward Erwin, NIHE)

Ward Erwin, Social Enterprise Manager from the Northern Ireland Housing Executive (NIHE), provided some insight into the socio-economic conditions of social housing communities in Northern Ireland. The NIHE are the regional housing authority for Northern Ireland, and the largest provider of public housing in Ireland with about 86,000 properties. The NIHE also manages 150 hectares of undeveloped land.



Ward Erwin from the NIHE

Another 30,000 social housing units are owned by 26 registered housing associations. These are newer than the NIHE stock. For quite some time all new developments have been done by the associations.

Two critical issues they deal with, over and above the management and allocation of housing, are the divisions within a highly segregated society and profound levels of poverty. Within some of the communities they serve two-thirds of heads of households are unemployed compared with one in five across the province. Some households are experiencing third, fourth or even fifth generation unemployment. 66% are on full Housing Benefit and another 12% on partial Benefit. 86% have incomes below £15,600 a year.

Adding social value

The social enterprise division of the NIHE was set up in August 2015 to address these problems. Their policies aim to improve community involvement, safety and cohesion.

Ward described the goal of the NIHE as “the development of economically vibrant and self-sustaining social housing communities through community-led social enterprise which will create social capital and social value”. They “expect a social return on any investment they make”.

According to Ward, despite a lot of investment in the physical environment in Northern Ireland, there has been little trickle down benefits to people living in social housing communities. These communities need business development. The NIHE has identified over one hundred existing social enterprise projects in the social housing communities.

They have also developed social clauses for use in public sector contracts to ensure local communities are engaged in order to promote enterprise, skills and employment. Contractors then become social investors. Direct labour organisations are also providing traineeships. So the NIHE they have awarded six maintenance contracts covering 65,000 homes with the new social clauses.

The NIHE also provide asset support. They have provided over 300 residential and commercial garages at nil rent or rates. This amounts to £1.2 million per year of additional investment in social enterprise through the provision of assets.

They also have perfectly good commercial premises that are no longer viable on a commercial basis. Many of these properties are made available for short term use, including as pop-up shops. Some of these provide services dealing with poverty or mental health. Others properties are provided on longer leases, up to 25 years in some cases, encouraging investment in developing local enterprise.

The NIHE are also working with Belfast colleges, including the Belfast Met, to develop skills through apprenticeships and traineeships offered to people from deprived local communities. Another college is training people in 3D design and printing. The Social Enterprise unit at the NIHE will provides mentoring to support these initiatives. Some of these initiatives are also receiving funding from the European Union. It is

hoped that this will bring employment opportunities into communities where poverty is rife.

The NIHE have identified five social outcomes that will bring social value to their social housing communities:

- Social Capital – Community infrastructure and connectedness
- Social Economy - Economic activity arising from social enterprise
- Natural Capital – Economic and social value of the physical environment
- Health and Well-being – Promoting physical, emotional and mental health while improving cohesion and a sense of inclusion
- Services development and delivery – Development of services that are of value to the community

Improving community safety and cohesion

The NIHE is one of the only statutory bodies in Northern Ireland that is present in peoples' homes every day. They are able to talk with community leaders and other key stakeholders within each community. This dialogue is

important in order to address the factors keeping communities apart.

Perceived divisions between communities are reflected in murals and flags, put up by paramilitary groups and used to mark territory. An important part of the NIHE's work is to soften these messages. These groups are gradually being persuaded to replace paramilitary images with softer representations of their culture, such as sporting or musical references or religious stories. This can sometimes take as much as eight years to negotiate.

Sometimes the changes are quite subtle. There is still a lot of reference to the military history of Northern Ireland, but it can be illustrated in a less violent way. The NIHE has come to the realisation that only the community themselves can change these murals, and engagement with the community is essential.



Queens Park, Antrim, before the mural was changed



Queens Park mural changed to less threatening military image



Mural in West Belfast depicting local sporting and musical figures



Image of the Grim Reaper in Tavanagh Street, South Belfast



Image of Grim Reaper replaced by less chilling image of King William



More positive imagery in Lendrick Street, East Belfast

Active Asset Management (Karl Linder, NHMF Committee/Viridian Housing)

Karl Linder provided an overview on how Viridian Housing has improved asset management. There is increasing regulatory pressure on housing associations, with the Homes and Communities Agency pushing for them to show value for money. This is coupled with an increased need for housing associations to generate their own funding. This means that operational staff must be more commercially minded, and homes must be commercially sustainable. The biggest challenge, according to Karl, is to access good quality data in order to rank homes on financial performance.

Though various data systems, Viridian Housing have:

- Survey data showing the cost of work required to bring each unit back to a good standard;
- Survey data showing forecasts of future planned maintenance and renewals;
- The average cost of regular maintenance, which can vary considerably from one property to another;
- The average management costs per unit, in each region, for each type of tenure;
- An assessment of how much they might get from sale of each unit at open market value;
- The market rent of each unit; and
- Current rents and service charges.

Forecasts of future inflation on costs are then applied to house prices and future rents, which can vary from area to area depending on the local economy and the tenure. For example, it is relatively easy to model the impact of a 1% per annum reduction in affordable rents.

This is used to project a 60 year cash flow for each unit and calculate the Net Present Value (NPV) of that cash flow. This gives the tenanted market value of each unit. The NPVs are then compared with those on a property newly acquired under a Section 106 planning gain deal. These average about £51,000 per unit.

A traffic light system is used to indicate what to do with the property. Properties worth less than £10,000 are marked in red and put through an option appraisal. Those worth less than £20,000 are marked in blue, those worth between £20,000 and £51,000 in amber, and those over £51,000 in green.

Viridian Housing have rationalised that investing money to bring an existing unit up to an adequate standard is not worth it when it costs less to acquire a brand new property under Section 106. The costs and benefits of converting poorly performing properties to a different tenure or use are assessed using the same essential NPV calculations. Options include open market sale, shared ownership, affordable rent, market rent and a variety of more specific uses where appropriate. They do not always pick the most profitable option for every property, but they always require a good reason not to.

Tour of the Titanic Centre

After the talks we toured the impressive exhibitions at the Titanic Centre. During the tour we saw an accurate depiction of life in Belfast at the time the Titanic was built. This includes experiencing what it would be like being a riveter in the dockyards, working on narrow scaffolding high above the ground while being tossed red hot rivets to hammer into the hull of the ship.



Ascending the Titanic's elaborate main staircase

The tour included recreations of the different classes of cabin, and other rooms on the ship. One gallery had projections on three walls and the floor giving the impression you were physically moving through the rooms and down the elaborate main staircase.

Another exhibition allowed you to look down through a glass floor at the wreck of the Titanic, as if you were passing above it. It was an impressive tour, and totally immersive experience.



Bow of the Titanic on the sea floor

Bus Tour of Belfast

The next morning the NIHE took the Study Tour on a bus ride through housing estates in Belfast. Jennifer Hawthorn, Head of Income and Communities at the NIHE kindly acted as the guide.

We passed the Carlisle Estate in North Belfast. In 2006 the NIHE commissioned an external condition survey on seven multi storey blocks built in the mid-sixties. The survey concluded that all of the blocks were in a deteriorating state of repair, and would require extensive remedial work to maintain their structural integrity. Taking account of the nature and location of the issues identified, a holistic value-for-money approach was developed to give the structures an additional 30 years of serviceable life. The main issues were: Spalling concrete to the beams and balcony areas; windows that had reached the end of their serviceable life and replacement parts which were obsolete; and flat roofs that had failed with numerous unsuccessful patch repairs. As a consequence of poor insulation and ventilation, there was also widespread internal condensation. The renovation works included external insulation, balcony enclosure and a new roof system developed with the BRE which uses an innovative approach to rainwater management. The water is broken into droplets to evaporate. The render is plasticised so the rain does not penetrate. Some evaporates off the walls, but leaving enough water to wash them clean.

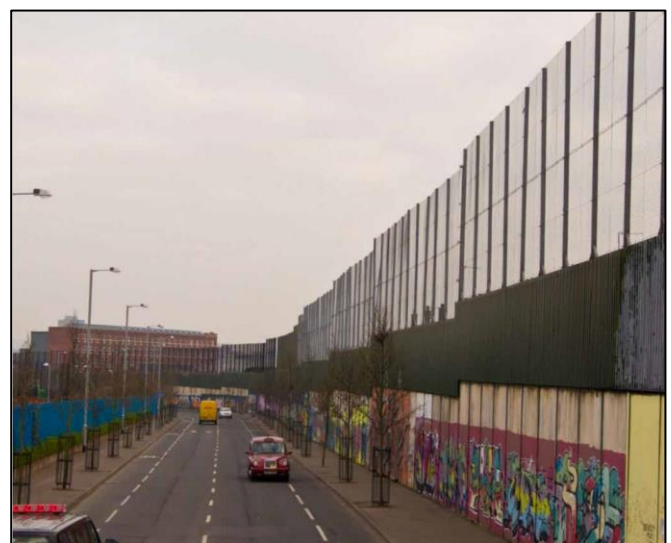


On Carlisle Estate: A view of a renovated block of flats (right) next to an un-renovated block (left)

The changing face of Belfast

As we drove through a gate between West and East Belfast, we saw how murals on the walls change significantly as we pass. This was the front line in a conflict that had raged intensively from the days of the civil rights marches in 1969 through to the Belfast Agreement of Easter 1998. During that time 3,600 were killed, almost half of those in Belfast. The divisions of that time are personified in the high peace walls that still separate many of these communities.

The bus stopped beside a 70 foot high 'peace wall' built in 1969 that runs for a mile along Cupar Way, marking the boundary between The Falls in Catholic West Belfast and Protestant Shankill. The intention was for these peace walls to come down by 2023, however that deadline is largely seen to unrealistic.



The 70ft 'peace wall' on Cupar Way

More than 50% of the social housing has been sold since the eighties under the Right to Buy scheme. Census data down to individual property level has recently become available. Initial analysis by Queens University appears to show a very significant decrease in segregation in the ten years between 2001 and 2011, from 94% to perhaps as low as 78%. This desegregation is most likely due to the churn caused by owner occupation and private landlords, and net migration from elsewhere in Europe.

There is a concern that poor levels of education, especially among young protestant males, make youth vulnerable to recruitment by paramilitary groups. In the Shankill, where 30,000 people live, not one child passed their 11 plus examination.

As part of the discussion on ways to create opportunities for youth, Shaun Aldis described how Wolverhampton Homes in England restricts recruitment for certain jobs to tenants and their immediate families to tackle generational unemployment on their estates. This has led to tenants comprising 10% of their workforce. However, Jenifer highlighted that equality legislation in Northern Ireland is some of the strictest in Europe, aimed at eliminating discrimination. Recruitment cannot be targeted at any particular community in the way it might be elsewhere in order to overcome disadvantage. However, the NIHE is trying to create local

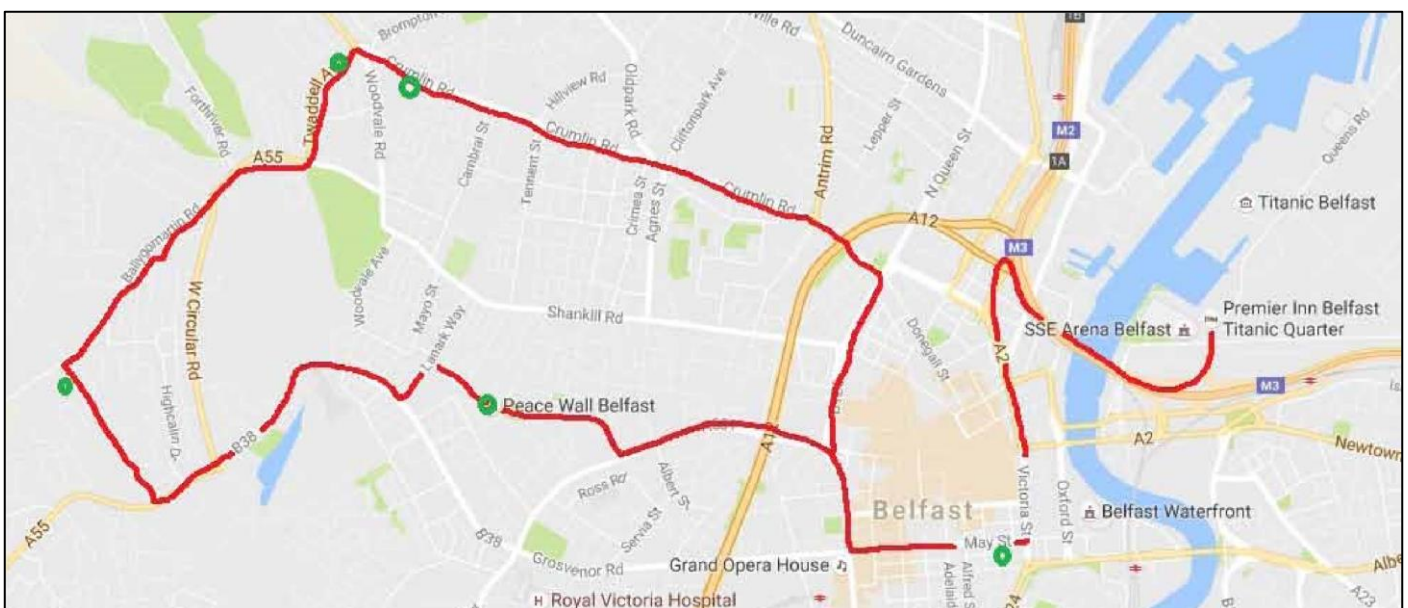
employment opportunities through social clauses in contracts.

We passed through mechanical gates in the peace wall from the Protestant area to a Catholic one. A young British soldier was blown up at these gates, so they are now controlled from the local police station. They are closed every evening. If someone arrives after the gate closes at 11pm, they will have a 2½ mile walk to get home.

The tour continued up Springfield Road with Catholic owned housing on the left and mixed communities on the right. The houses along this road were built with just a few small windows facing the public road, to make the tenants feel safer. Jennifer pointed out a new social housing development. Since the mid-nineties the NIHE has not been allowed to borrow money to build housing, so most of it is now done through housing associations.

Black Mountain shared space

We stopped at the end of a peace wall known as 'million bricks wall', because of the amount of bricks it took to build. Alongside the wall is the Black Mountain shared space. The Black Mountain shared space is a partnership between Protestant Springmartin and Catholic Upper Springfield. Senior combatants from the IRA, UDA and UVF came together with the NIHE to discuss ways they could improve dialogue between the two



Approximate route of the NHMF bus tour of Belfast

communities. The NIHE brought in residents associations, and helped to set up associations in some areas where there weren't any. This area has become a beacon of hope, where former combatants are working together to make meaningful change.

The Black Mountain project will receive £2.3 million to develop a shared space on what was a derelict factory site right in the peace wall. It will become an incubator space for small businesses, and perhaps some shared housing. The project is now being run by Belfast City Council.



Black Mountain shared space alongside the 'million brick' peace wall

A peace wall gets taken down

The peace walls were originally built by the NIHE to keep the peace by keeping people apart. However, since 2002 they have been in talks to remove these physical divisions.

The first peace wall to come down was the wall protecting the Catholic community along Crumlin Road. It was replaced with open railings. In a video interview at the time one lady said, "We need to work together, get to know each other and be good neighbours". However, a month after the removal work started her husband was abducted by paramilitaries from her own community for a 'punishment beating' and was shot in the knee. His wife was a nurse and she tried to save his life, but he had been shot through a main artery and bled to death.

Despite her terrible loss that lady remained one of the strongest advocates for the removal of the

peace wall. She was moved away to avoid further provocation, and chose to live on a Protestant estate.

The negotiations to remove the wall began three years earlier, initiated by the residents. Once the decision had been made to remove the wall the community was attacked three times, even though there had not been an attack for ten years before that. However, in spite of these attacks the community bravely decided to go ahead with the removal.

The NIHE was very concerned about making sure that residents continue to feel safe. At the time of the removal an elderly lady expressed concern for her safety, so a metal barrier was left in front of her house. The panel was decorated with flax flowers, recalling an old flax mill just around the corner in Flax Street. All the houses facing the road were also fitted with triple glazed bullet proof glass.

The day the peace wall came down was a big day for Northern Ireland, and will hopefully create a precedent with more communities happy to remove these barriers.

The visit ended with a break at the NIHE offices in Belfast, before heading on to Dublin.



Decorative panel and metal railings that replaced the first peace wall to be taken down in Belfast

Arriving in Dublin

It was hardly noticeable as we crossed the border between Northern Ireland and the Republic of Ireland. We also passed the site of the Battle of the Boyne.

The first stop in Dublin was at Fold Housing Association for a sandwich lunch at their new social housing project for older people in Ballygall Road in Glasnevin. Caren Gallagher from the Irish Council for Social Housing (ICSH) gave us an outline of the social housing sector in Ireland. Over 500 housing associations provide around 27,000 homes. 276 of them are members of ICSH. Most are small organisations, with the largest thirty associations managing anywhere between 300 and 5,000 units. Housing associations work in close partnership with local authorities across the country.

The oldest five associations date back to the 1890s. Until the 1980s they received 100% grant funding to develop family accommodation and more specialist housing. At their peak in 2009 they delivered 2,000 units in one year. After the financial crisis grant funding was severely cut and the government asked associations to find ways to continue building using private finance.

With no previous experience of private finance there was a steep learning curve to climb. Initial expectations of the sector were unrealistic. They were expected to achieve in three to four years what it had taken associations in the UK perhaps ten to fifteen years to reach. They needed to acquire the financial expertise in order to raise loans from the banks. One missing ingredient lenders were looking for was a housing regulator. The Housing Agency has operated a voluntary code of regulation since 2013, with legislation now in the pipeline to make it statutory.

The sector has risen to the challenge, and borrowed significant amounts of money. Five associations raised approximately €108 million in 2015. There were about 2,400 new affordable homes provided through new build, purchase and retrofit in 2015. In July the minister launched a new housing strategy called 'Rebuilding Ireland'

under which housing associations will have a major role in delivering affordable housing.¹

Fold Housing Association

The Fold scheme we visited was funded with private finance from the Bank of Ireland. The architect of the scheme, Simon Adeyinka, Director, asi architects, spoke with the Study Tour about the scheme.

Three blocks had been decanted to make way for redevelopment but the 2008 crash made the project unviable, and the area sat in decay for some years. They approached Dublin housing department with a proposal to refurbish the buildings instead which was approved.

The biggest design problem was providing an adequate level of insulation. There was cold bridging through the concrete balconies, which were cantilevered off the floor slabs. There were also access issues. The solution was to remove the balconies, insulate the exterior of the buildings and construct access balconies a metre away to prevent flames being spread through windows.

Each balcony has access to stairs and a lift, giving full wheelchair access to all units. The balcony was designed to support another floor in case they decided to add a third floor at a later stage. The ground level was raised to give level access to the ground floors. Unfortunately it was not economically feasible to insulate the ground floor slab.

There were two large lawns to the front and back of the site, as well as large lawns between the blocks open to the street. Smaller two unit blocks were built between the existing ones to provide a bookend to the street. These were set back to create a more attractive frontage. The upper floors could be reached by bridges across from the access balconies of the existing blocks, reducing the cost. The effect was to provide move privacy to the lawns at the back of the buildings.

¹ <http://www.housing.gov.ie/topic/rebuilding-ireland>

The old units were only 25 m². So two units were combined into one to make a comfortable 50 m² one bed unit, with a good sized kitchen, living room and walk in shower.

The original buildings date from the late sixties and had 250 mm brick walls with a 50mm cavity and no insulation. Concrete lintels, cills and ring beams resulted in a lot of cold bridging. Once the alterations were made they all but eliminated condensation in the units.

Brian Coffey and the management team from Fold then answered questions on the management of the project. Dublin City Council transferred ownership to Fold at no cost, enabling them to borrow against the full value of the scheme. The remaining tenants from the two blocks that were still occupied had first priority, with the rest nominated by the council. Fold held pre-tenancy meetings with each batch of new tenants, explaining the tenancy agreement; how their rent was worked out; the building and maintenance; the landlord's responsibilities; and their responsibilities as tenants.

Some new tenants had been rough sleepers, and required help in looking after their own home. This is provided over the first couple of months of a new tenancy by Support for Living Independently (SLI). SLI help the tenant set up a bank account to pay their rent, to get electricity, and to settle into their own home.

The meeting room we were in was used for the pre-tenancy meetings, and as a place to meet tenants on a one-to-one basis. They also expected to use it for coffee mornings, and to provide other sessions working with local groups

such as the Dementia Association and Age Action.

The doors have point locking requiring the handle to be pulled up to open them which some of the elderly find hard to do, so they might choose a different option in the future. The units all have pull cords linked to a support line. They also have burglar alarms, although quite a few tenants find them too complicated and don't use them. Many also cannot handle the heating time clocks and operate their heating using the boost button to switch it on for an hour, which works well with the improved insulation.

There was some capital grant funding in addition to the free land, although most was borrowed privately. They have 'differential rents' which vary according to the tenant's income. Their tenants are almost all on pensions so they can only afford, on average, €30 a week. The local authority pays them about €90 a week on each unit to top them up to a market rent. This provides enough finance to cover maintenance. This 'Rental Accommodation Scheme (RAS)' is apparently quite widespread and is used to provide social housing via private landlords as well as housing associations. Fold explained that the rental schemes vary between different authorities, and associations have to work out the funding in each case through partnership with the local authority. Unlike the UK, there is no direct funding via the central government.

Schemes like this demonstrate how existing council housing can be regenerated by transferring it to an association to borrow the finance required.



Steel framed balconies with lifts for wheelchair access



Smaller infill blocks placed between the main blocks



Spacious kitchen and living room in the units

There is a housing crisis in Ireland with more than 6,000 on the housing list. Rents in the private sector have risen rapidly. A one bed private sector unit in the same area as the Fold project would cost approximately €1,500 a month to rent.

The government has promised more than 27,000 houses over the next five years. However, the responsibility of meeting this target has been largely placed on housing associations. It is difficult to see how this target will be met unless the councils provide housing associations with revenue subsidy.

Walking tour of Limerick

Straight off the bus from Dublin we were led on an entertaining walking tour around the old part of Limerick. The following morning we continued the tour through the newer Georgian section of the city by the harbour. Those of us that stayed on until Saturday also visited the market, the castle, the cathedral and the Hunt museum.

Limerick Social Enterprise – Hospitality education & training centre

Carmel Kirby is the Programme Manager at the Office of Regeneration for Limerick. She explained how the county and city councils of Limerick had amalgamated in 2014 to form one Limerick council. Limerick has been working on regeneration projects since 2007. These involve housing provision, bringing new industries to the town and tackling high levels of unemployment in the more deprived areas.

About 1,040 units have been demolished, and by 2018 over 2,100 units will have been constructed or refurbished. All the social housing is largely concentrated into four large estates, with no community facilities and no support structures, housing just over 6,300 people.

There was anti-social behaviour in the estates, creating perfect conditions for the promotion of crime. The council started by running a successful campaign to tackle the influence of criminal gangs. It took a long time to build the necessary capacity to tackle the social and economic challenges and regenerate the area. They expect



King John's Castle across the Shannon River



View of Limerick old town from the Shannon River



Georgian housing in the centre of the city



Lacework commemorating convent single mothers

to continue spending around €28 million a year on regeneration for another five years, perhaps extending that for a further five years. The key objectives are to improve the quality of life, and to reconnect those living in the estates with the rest of the City.

There are community enterprise centres in all four of the regeneration areas. They have set up five teams focused on: Education and Learning; Health and Wellbeing; Aging well; Employability at work; and Families at risk. Regeneration projects have to identify which of these areas they will be addressing, and obtain their own funding to match whatever the government and council may provide. Between 2012 and 2014 €9 million from the Social Intervention Fund (SIF) was matched with another €30 million from other sources. All of this is coordinated via the five different teams into one 'Limerick Regeneration Framework Implementation Plan'.

Under 'Education and Learning' they have reduced absenteeism from schools. They have also improved school readiness for those entering primary school and for those moving from primary to secondary education. The aim is to keep people in education, teach them social skills and provide them with the skills necessary to secure employment and break the cycle of deprivation.

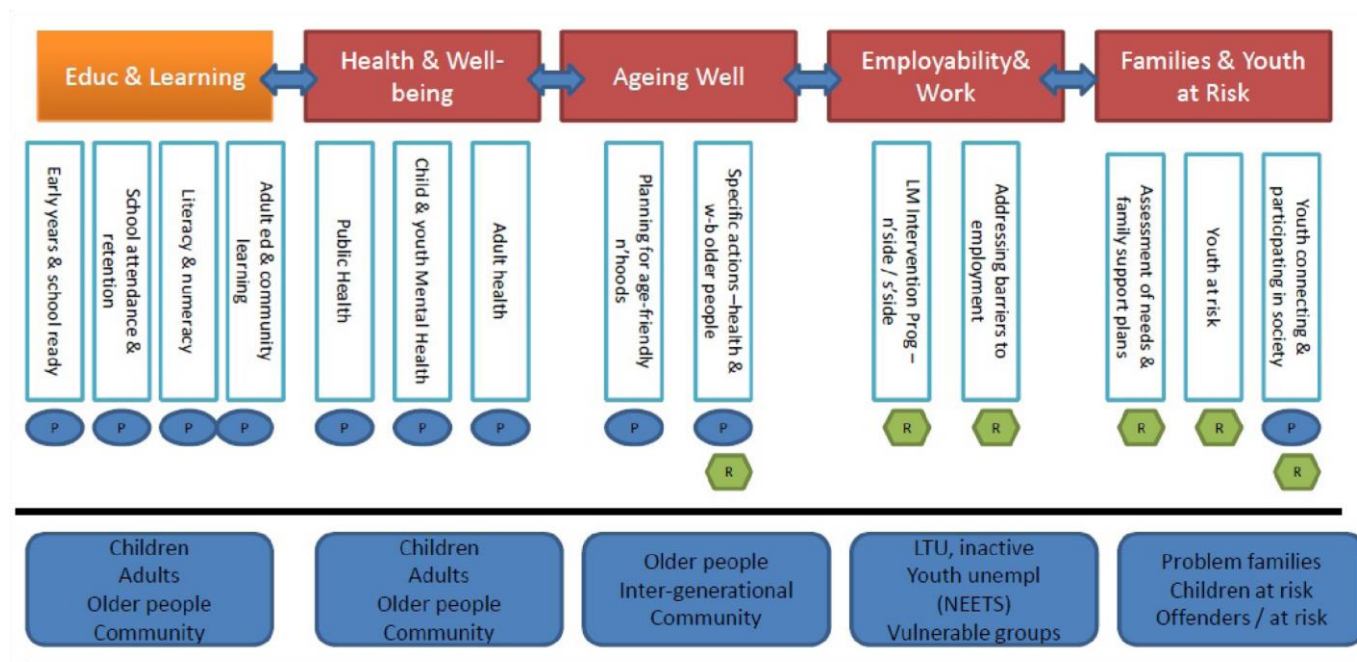
The 'Health and Wellbeing' team has been doing a lot of work around mental health issues. They are involved in community participation and empowerment projects, such as the Great Limerick Run and the City of Culture initiative which are part funded by the regeneration project.

'Aging well' has had limited investment so far, but they aim is to make Limerick an age-friendly city.

'Families at risk' are working with Barnados and other organisations to assist troubled families.

'Employability and work' is about creating pathways to work. There are 1,200 youth unemployed in Limerick, much higher than the average for Ireland. This includes inter-generational unemployment. Economic Regeneration funded through SIF is currently supporting about 690 jobs through community and social enterprises. They work with the Department of Social Protection, the Limerick and Clare Education and Training Board, and a range of other organisations to target training at unemployed youth in the four regeneration areas.

This process begins with talking to employers in a number of industries, to identify skills that are in short supply and to develop training to meet that demand. In this way, they skill up residents appropriately to take on employment in those industries.



Two of the most successful projects under 'Employability and Work' have been the hospitality training project and the CCTV programme. A social enterprise unit operates all the cameras installed around the city. This has improved community safety and had a major impact on reducing crime.

In Limerick they have set up a local Strategic and Advisory Monitoring Group. This group, involving the chief executives of each of the national bodies involved in regeneration, sit around a table five times a year to agree on strategy and implementation of the regeneration plan.

Hospitality training

Bernadette Enright introduced us to the Hospitality Education and Training Centre she manages as part of the council's social enterprise programme. The building we were in had previously been a training centre for Fáilte Ireland, but had been sitting idle for six years.

The hospitality industry was desperate for more skilled chefs and hospitality staff. So a decision was reached to set up a training academy to take unemployed people from the estates and teach them the skills required by the hotel and catering trades. This received support from leading members of the industry, including the Irish Hotels Federation; Irish Restaurants Association; and Vintners Federation.

The academy opened its doors two years ago, and now provide 80 places and with a long list of applicants waiting to join. Instead of delivering a standard curriculum, they approached the hospitality industry for input. In exchange they insisted on buy-in from the industry to provide employment for those that successfully complete the courses.

Some training programmes last a few weeks, and others a full year. During that time the students can continue to receive benefits from the Department for Social Welfare.

The hospitality industry is focussed on providing an excellent customer experience. This can be seen in improvements to the general standard of restaurants in Ireland over the last twenty years.

The Academy uses the European Foundation for Quality Management (EFQM) model. This model defines an approach to measuring and delivering quality across a wide range of industries, and is very comprehensive.

This is a regeneration project, working in an area of deprivation. Hoteliers and vintners were originally reluctant to take trainees from the regeneration areas, because of misconceptions about their attitude and willingness to work. It was essential to tackle these perceptions head on by ensuring that the trainees presented themselves to the very highest standards, in personal appearance and behaviour. They succeeded in that, and the trainees are now in high demand.

Fáilte Ireland and the Hotels Federation both now approach the Hospitality Centre as a leading national model of what regeneration and training can achieve. Across Ireland, on average, training establishments place 31% of their trainees into work while this centre has achieved 68%. As an example, four people from their training programme now had permanent jobs at the hotel we were staying at.

Social Housing in Limerick

Back at our hotel we had a talk from the Chief Executive of Limerick Council, Conn Murray. He provided a picture of social housing in Limerick, in both a national and local context.

The county has a population of around 200,000. Between 40% and 50% of the social housing is concentrated in the city, and the rest was within 12 miles of it. This creates an enclave that is the focus of their regeneration efforts.

Ireland has gone through very difficult economic times, which has changed the national approach to the provision of housing. Social housing was traditionally provided by local authorities. The national ambition was to be a home-owning democracy, and in the recent past 80% of housing was owner-occupied.

The social rented sector was never the focus of policy. That is now changing for economic reasons. For the last couple of years the policy

was for social housing to be supplied by Approved Housing Bodies (AHBs), with local authorities stepping back from managing the assets themselves.

But a recent change in government has resulted in a new shift in policy. Social housing will now be provided on a shared basis with local authorities. This arrangement could be very effective, provided they can work together to overcome challenges, such as competition for the same sites or schemes.

Limerick's regeneration focuses on three key pillars: Economic, Physical, and Social. These must work in concert to achieve the type of communities they are working towards. The council is also very open to new forms of provision. Conn has visited Glasgow, Manchester and a few places in London to see the different forms of housing they could offer, and how these might suit their capabilities.

Scale is critically important in achieving higher levels of efficiency. Limerick has a relatively small number of housing units. Bringing a number of authorities together might be a way to transcend this issue, but each of them is politically led and independent which presents a big challenge.

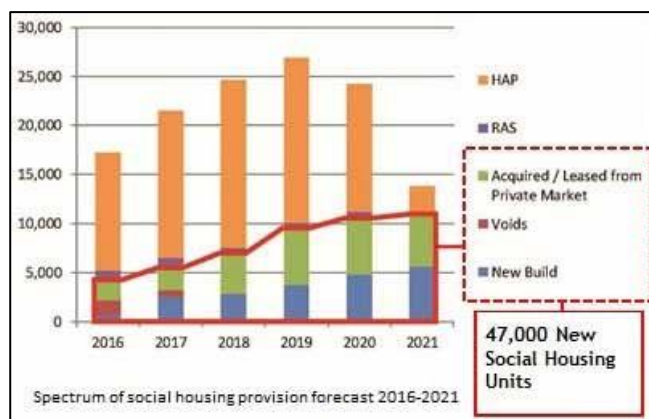
Regeneration

Seamus O'Connor is the Director of Social Development, working alongside the housing department. He talked to us about regeneration.

In the county of Limerick the population is up by 1.6% while in the city it has risen by 2.1%. Their Action Plan is based on five pillars: Addressing homelessness; providing social housing; building more homes; improving the rental sector; and making better use of existing housing, including the council's own vacancies and voids.

Local authorities have traditionally had a major role in the provision of housing in Ireland. They have built 400,000 houses. However, there is now limited funding. To meet the social housing demand today, local government commitment is also needed.

At the end of last year 129,000 homes were managed by local authorities and 30,000 by other social housing bodies.



Statistics presented by Seamus O'Connor

The plan is to produce 47,000 new units of social housing nationally. They will not go down the route of creating larger mono-tenure social housing estates. They want mixed private, affordable and social housing. This will be achieved through leasing homes from the private market, bringing council voids back into use, and new builds. They will take a multi-agency approach and work with the voluntary sector to tackle homelessness.

There are almost 200,000 empty homes in Ireland, excluding holiday homes, equating to 12.8% of the housing stock. Normal turnover in a fully functioning market might require about 6%. The vacancy rate varies between 4% in South Dublin to 30% in Leitrim. In Limerick City it is 9.8% (2,583 units) and in the county 10.7% (8,856), which is not exceptional for Ireland. The City is examining ways to bring these units back into use.



Conn Murray (speaking) with Seamus Hanna

Rebuilding Ireland

Seamus Hanna is the Senior Projects Manager. He explained how the Rebuilding Ireland programme would be implemented. It was a €5.35 billion program up to 2021, and was a signal from the state that housing was the number one priority.

Construction of social housing by local authorities has come to a virtual stop since the financial crisis. Limerick was fortunate in that they have had a regeneration programme running since 2007. This enabled them to continue building. Other local authorities stopped building and construction skills were dispersed, with some people leaving the industry and others retiring.

Many of the houses built in the boom years were either in the wrong place or have not been built to a standard that makes them reusable. That is a legacy of inappropriate tax breaks pushing buildings into places where they don't need to be. Some of these properties will never be used, but a good proportion of them will be.

Rebuilding Ireland is central, but it works alongside other programs that are in place. Some key strategic sites have been purchased in Limerick. Their development will be linked to a broader regeneration of the city as a whole.

The council use their own option appraisal process to assess the potential of the sites they own. It provides an evidence based appraisal of how many houses could be developed; where they should be developed; when they should be built; and how they should be built. These are then marked on a map using a traffic light system with green for deliverable; amber for possible; and red for unsuitable.

The location of social housing can be contentious. It is not seen as desirable by some residents and you can get local political opposition. Having a rigorous evidence based assessment can help take some of the emotion out of the argument.

The Council have identified scope for 350 units without having to purchase additional land. They are building about 550 new units as part of the regeneration, of which 20% are complete and another 24% under construction. 194 units are

being constructed on brownfield sites, integrating them into existing communities.



€200m of funding for infrastructure has been announced as part of Rebuilding Ireland to catch up on a lack of investment since the crash. Some villages still have inadequate water supplies and waste water treatment. Lack of infrastructure can create an immediate blockage to delivery.

The partnership approach is very important, involving both AHBs and private developers. The council has a significant amount of land and developers have the capacity to deliver the housing units.

Part V (Equivalent to the UK's Section 106) was a contentious social policy under which 20% of new housing had to be social or affordable. That has been reduced to 10%, but the buy-out options have also been eliminated.

The local authority can play a role as an enabler by de-risking urban development sites and protecting important historic structures.

Developers are often reluctant to take on sites that have restrictions due to archaeological or protected structures.

The council has been able to purchase high value sites at the bottom of the housing market, sometimes for 10% of the price they would have commanded in the 'Celtic Tiger' period. These should yield a high dividend over the coming years. The Council are the owners, but hold the property in trust for the people. So they need to get the maximum value out of it. The Mungret College site is an example in an area of high demand on the edge of a village, close to the city, into which the city will expand over the coming years.

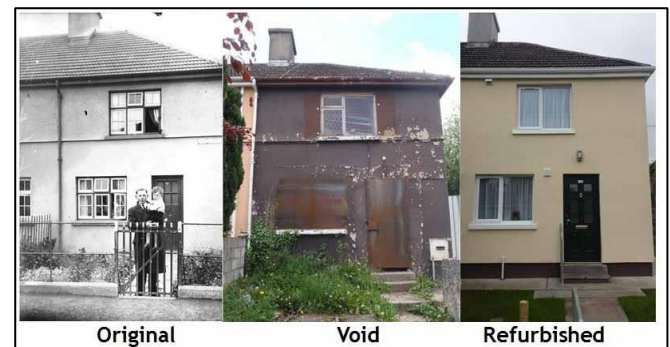
Since 2013 they have incorporated social procurement policy into public contracts that targets long-term unemployment and youth unemployment. A percentage of working days within any building contract have to be worked by people from those categories. In this way the local authority help people back into the workforce.

Regeneration should also tackle urban blight. They set priorities for sites that have the greatest negative impact on the community. Top priority is given to safeguarding sites with unstable or derelict buildings. These may be mothballed, spending a small amount of money to keep the building dry and prevent further deterioration until regeneration becomes economically viable.

The council purchased a lot of semi-derelict buildings in the older parts of the city near King John's Castle, often doing hidden works to roofs and parapets to preserve the buildings. They picked them up cheaply, some as low as €15,000. A new unit might be worth €180,00 at a renovation cost of €120,000. Two and a half years ago nobody was interested in these properties.

Seamus pointed to a 1975 book called 'The Irish Town: an approach to survival' which is still relevant today. It describes how to maintain the character of a town. He then showed examples of derelict houses and blocks of flats in Southfield

that had been refurbished. They took a risk over whether these properties would be lettable in what was seen as an undesirable area. They bought the properties for €50,000 each, and produced units for rent at a cost of €150,000 each. These are now successfully let, and the effect has spread to neighbouring houses which have since been refurbished. A little investment by the local authority leveraged a great deal more from the private sector leading to regeneration of the area.



Refurbishing void and derelict housing
in St Mary's Park

Two blocks of flats in Hyde Road were transferred to a housing association, which has since refurbished them. This was done under the CAS lease-funding model, where the state invests 30% and levers another 70% from private finance. There are a number of risks to the economic cost of regeneration. There could be an international impact on the national economy, and Brexit is frequently mentioned in that context. A lot of skilled tradesmen left the country during the recession. As construction recovers from rock bottom prices, the scarcity of skills and resources can be expected to lead to inflation in building costs. Limerick hit the bottom in terms of property prices in 2012/13, but these rose 16% last year, with rents rising too. However, there are still cheap properties to be found. Unlike Dublin, where many have been priced out of the market. This can give Limerick an advantage in attracting overseas investment.

During a question and answer session Sean Aldis spoke about how Wolverhampton Council in England levy 150% council tax on empty properties to encourage their redevelopment.



Hyde Road flats

Seamus said the norm was to charge 50% on empty properties in Limerick, but that the right solution depended on the local economy. Some cities like Leipzig in Germany or Detroit in the US were experiencing substantial falls in their populations and were unable to attract sufficient new industry to sustain the size of city they had before. Their response was to demolish excess properties to reduce the city to a sustainable size. Similar things happened in Liverpool and other UK cities. So the first priority was to attract new industries. Limerick has also demolished quite a lot of property in order to preserve the value of the rest. They are encouraging developers to invest rather than penalising them for holding back.

A representative from another local authority highlighted the need for local authorities to find ways to de-risk developments in more marginal areas, where the potential profit margins for construction companies were too small to attract them in. The high value sites around Dublin were booming because the returns were there, but many sites that might provide housing for first time buyers were not profitable enough. Developers were at risk of losing on them if there were not enough buyers able to afford a profitable price.

Seamus said that the type of development they were promoting is more expensive than a standard clean slate approach. They have been successful in drawing in funding for more complex and expensive schemes that contribute to regeneration. The department used to apply a rule of thumb that says if the cost of refurbishment is 66% of the cost of rebuilding, new build should be favoured. Limerick suspended that rule during the housing crisis and

replaced it with a 100% rule. So if the cost of refurbishing is the same as replacement, you should refurbish. That way a unit can be delivered two years faster. He quoted the case of artisan cottages near our hotel that the developer wanted to knock down for a new build. These were eventually renovated, producing two bed houses for €110,000 each. This was less than it would have cost to build new ones on the site.

There are limits as to how much of the regeneration funding from the state can be spent on housing. However, there are ways to make a development viable, such as providing infrastructure to support development. Seamus gave an example where the Council improved a road, benefitting not just the new development but all the existing properties along the street. This road improvement would not have been cost effective for the developer.

Seamus explained the way new Housing Assistance Payments work to encourage private investment in housing to rent. The council leases the property at an economically viable rent from the private sector and lets it at an affordable rent to the tenant. This reduces the risk to a developer renovating or building properties to rent by guaranteeing them 100% of the rent paid straight into their bank account. The portion paid by the tenant is managed and collected by the local authority. This builds confidence in that sector.

A social housing rental model has been developed in Limerick on a similar basis, leasing properties from the private sector and leasing them to AHBs to house the homeless or others with special needs.

Karl Linder, an NHMF Committee member, compared the options open to housing associations in Ireland to different areas of London. On old factory sites in the centre of London it was impossible to generate sufficient income from a development to compete with the private sector. The only way social housing could be developed on those sites was through Section 106. This is similar to Part V in Ireland, where the local authority requires a proportion of social housing to be incorporated. He gave the example of the Battersea Power Station site in Nine Elms

where his association had 170 shared ownership units under Section 106.

All Ireland NHMF

Paul Isherwood, Director of Asset Management, NIHE represents Northern Ireland on the NHMF Committee. He presented the proposal to form an Ireland branch of the National Housing Maintenance Forum. About eight years ago Paul joined the National Housing Maintenance Forum (NHMF). He realised that the NIHE and the housing associations are all doing similar work, such as replacing baths and kitchens, but they are all doing it slightly differently. All of them are at different stages in the arc of experience for this kind of work. He found that he could, as a member of the NHMF, pick up the telephone and talk with people like Shaun Aldis or David Miller, who would send him useful information on what they had done. In working out policies and procedures, why reinvent the wheel when they are all doing similar things and at different stages of learning.

Over the last couple of years Paul sounded out colleagues in the North of Ireland, and more recently in the South, and invited them to a meeting in September. They concluded there was some mileage in setting up an Ireland branch and asked M3 to come over and do a presentation. This was attended by about 20 housing associations from the North and the South, who agreed to form an all-Ireland branch of the NHMF.

Paul drafted terms of reference and circulated them for discussion. The meeting agreed a mission statement: 'To promote and raise the standard of asset management in social housing across the island of Ireland'. Ultimately it is about delivering cost effective high quality repairs, as well as maintenance and asset management services to tenants, while achieving excellent customer satisfaction.

The aims and objectives are 'to share knowledge, information and experience, to develop good practice in housing asset management, maintenance and estate regeneration'. How do you decide whether it is worth fixing up that property? How do others make that decision so as to avoid pouring money down a drain?

Working in an era of austerity has led to a great deal of innovation. It is that innovation that they want to share, drawing on each other's expertise and learning from the different approaches everyone has taken to solve the same problems.

The NHMF want to raise the profile of maintenance and asset management, to ensure these functions receive the appropriate consideration. The NHMF can draw on expertise in the sector to build on innovation. The Forum will be open to all asset management and property services staff working in the social housing sector in Ireland. It will be led by a management committee of six to eight members, with equal representation from the North and South, with three to four meetings a year rotated between the North and the South. The first branch meeting will be held in late November. At the NHMF Conference in January they will present their progress and how they plan to take it forward.

Paul said the branch had the support of the chief executives of a number of housing bodies, who have agreed to provide resources to get it going. 'We have commitments from enough members to physically form it, and would like more members to be part of that and to help us to form it'.

David Miller then did a presentation on the latest release of the M3NHF Schedule of Rates.

The Study Tour ended with Liz Circuit, NHMF Secretary, thanking the hosts, Limerick Council, and welcoming everyone that had come to meet with us. The meeting was then closed, to be followed by a meeting of the NHMF Committee.