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The Role of Housing Associations in the Housing Market in the Republic of Ireland

Volume I

Vanda Clayton

2005

Thesis submitted for the degree of Ph.D.

Department of Geography
University of Dublin
DECLARATION

This thesis has not previously been submitted as an exercise for a degree at this or any other university, it is entirely my own work except where otherwise acknowledged and the Library may lend or copy this thesis upon request.

Vanda Clayton
October 2004
SUMMARY

Housing associations have played an increasingly prominent role in the delivery of social housing in recent years. The early 1990s marked a shift in government policy away from reliance on direct local-authority provision towards enabling a range of alternative housing options. Several measures have been introduced to promote the expansion and diversification of the voluntary-housing sector and encourage it to play a greater role in the provision of mainstream social housing for low-income families. This research examined the role of the voluntary-housing sector in the housing system of the Republic of Ireland. This was achieved by undertaking a postal questionnaire survey of housing associations, conducting in-depth interviews with representatives of thirty housing associations and in-depth interviews and group discussions with public-sector officials from the DOEHLG and the local authorities.

This research showed that the voluntary-housing sector continues to be dominated by small, community-based associations, primarily engaged in the provision of housing and associated services for tenants with special needs. A small number of associations managing very large housing stocks have risen to the government's challenge of increasing their output to cater for low-income families. However, the long-term viability of housing associations can only be secured by the removal of numerous barriers to effective housing development, management and governance.
ACKNOWLEDGEMENTS

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<td>CAS</td>
<td>Capital Assistance Scheme</td>
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<td>CES</td>
<td>Community Employment Scheme</td>
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<td>CPG</td>
<td>Corporate policy group</td>
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<td>CRO</td>
<td>Companies Registration Office</td>
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<tr>
<td>CSO</td>
<td>Central Statistics Office</td>
</tr>
<tr>
<td>DADCo</td>
<td>Dublin Artisans’ Dwellings Company</td>
</tr>
<tr>
<td>DOE</td>
<td>Department of the Environment</td>
</tr>
<tr>
<td>DOEHLG</td>
<td>Department of the Environment, Heritage and Local Government</td>
</tr>
<tr>
<td>DOELG</td>
<td>Department of the Environment and Local Government</td>
</tr>
<tr>
<td>FTE</td>
<td>Full-time staff equivalent</td>
</tr>
<tr>
<td>HFA</td>
<td>Housing Finance Agency</td>
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<tr>
<td>ICSH</td>
<td>Irish Council for Social Housing</td>
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<tr>
<td>IPA</td>
<td>Institute of Public Administration</td>
</tr>
<tr>
<td>IRD</td>
<td>Integrated resource development company</td>
</tr>
<tr>
<td>LSS</td>
<td>Capital Loan and Subsidy Scheme (formerly RSS)</td>
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<tr>
<td>NABCo</td>
<td>National Association of Building Co-operatives</td>
</tr>
<tr>
<td>NBA</td>
<td>National Building Agency</td>
</tr>
<tr>
<td>RSL</td>
<td>Registered social landlord</td>
</tr>
<tr>
<td>RSS</td>
<td>Capital Loan and Rental Subsidy Scheme (now LSS)</td>
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<td>SPC</td>
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CHAPTER 1. INTRODUCTION

The Republic of Ireland’s housing system is characterised by an exceptionally high level of owner-occupation by European standards, accounting for 77% of the national housing stock (CSO, 2002). The promotion of owner-occupation has been an explicit objective of successive governments since independence, resulting in the heavy subsidisation of access to home-ownership (MacLaran, 1993; O’Sullivan, 1998a; O’Sullivan, 1988b). A wide range of supports for buyers have evolved in a piecemeal fashion, including favourable tax treatment, cash grants, loans and the subsidised sale of local-authority housing to sitting tenants at discount prices (Power, 1993; Fahey and Watson, 1995). It has been argued that the extent to which the Irish state has aided low-income households in purchasing their own homes is unique in Europe (Power, 1993).

The overall objective of Irish housing policy is: "To enable every household to have available an affordable dwelling of good quality, suitable to its needs, in a good environment, and, as far as possible, at the tenure of its choice", while stressing that owner-occupation "...of course remains the preference of the vast majority of the population" (DOE, 1995a, 4). However, the strong bias of Irish housing policy towards the promotion of home ownership has led to the relative neglect of other forms of tenure, with the treatment of public- and private-rented housing as ‘second-best’ options (Tansey, 1989; Fahey and Watson, 1995):

“One could make the case that the goal of home ownership has been advanced to such a degree that it has come into conflict with the goal of adequate housing for all and, until the recent past at least, has sometimes seemed to occupy the primary rather than the secondary position in housing policy” (Fahey and Watson, 1995, 20).

Consequently, the social-rented (7%) and private-rented (11%) sectors play an increasingly marginal role in the Irish housing system (CSO, 2002).¹ This stands in marked contrast to many other European countries, where the adoption of more tenure-neutral housing policies have produced more balanced tenure structures. For example, owner-occupation accounts for just 47% of the housing stock in the Netherlands, while the social-rented (36%) and private-rented (17%) sectors play much greater roles. Similarly, 38% of the German housing stock is owner-occupied, with social-rented (26%) and private-rented (36%) housing accounting for the remainder of the stock (Directorate General for Research, 2002).

¹ The remaining 5% of the national housing stock comprised dwellings ‘occupied free of rent’ (2%) and those for which the nature of occupancy was ‘not stated’ (3%) (CSO, 2002).
Social housing in Ireland has always played a residual role in the Republic of Ireland, restricted to acting as a ‘safety-net’ for low-income households unable to afford suitable accommodation on the private market (MacLaran, 1993; O’Connell and Fahey, 1999):

“Even at its peak in the 1960s, Irish local authority housing was always somewhat residual in character. At that point, it amounted to less than 20 per cent of total housing stock and was consistently targeted on low-income families. It did not aspire to house the broad range of social classes accommodated by the mass models of social housing in countries like Britain and the Netherlands” (O’Connell and Fahey, 1999, 37).

This belies the fact that around one-third of the national housing stock was constructed by the local authorities. However, two policies have been instrumental in causing the erosion of the public-rented housing stock and the increasingly disadvantaged profile of local-authority tenants. Much of the housing constructed by the local authorities has been purchased by sitting tenants at substantially discounted prices through the Tenant Purchase Scheme, “...the most significant scheme of privatisation to date since the formation of the State” (Blackwell, 1988, 181). The residualisation of the local-authority sector was compounded by the Surrender Grant Scheme, which was introduced in 1984 and operated for just two-and-a-half years. Described as “…a disastrous episode in local authority housing policy...” (O’Connell and Fahey, 1999, 40), the surrender grant encouraged more affluent tenants to surrender their local-authority tenancy in order to move into owner-occupation. This resulted in the exodus of employed tenants from the most deprived local-authority estates and their replacement by welfare-dependent households (Threshold, 1987).

Until recent years, ‘social housing’ has largely been synonymous with local-authority housing. However, the early 1990s marked a shift in Irish housing policy towards enabling a range of housing options as alternatives to traditional direct local-authority provision. Housing associations moved to the fore with the government’s decision to encourage the expansion and diversification of the voluntary-housing sector to cater for low-income families on a large scale. The voluntary-housing sector has a long history, with philanthropic organisations playing an important role from the late-nineteenth century in pioneering innovative models of housing provision for households unable to afford market rents. However, the subsequent rise of the local authorities as the main providers of social housing for low-income households resulted in the channelling of most philanthropic effort into the complementary role of providing accommodation and associated services for people with special support needs, particularly elderly and disabled people. Thus, for much
of the twentieth century, housing associations have tended to be community-based and small in scale, with a tendency not to view themselves as part of a voluntary-housing ‘movement’ (Geoghegan, 1983).

This shift away from the direct provision of social housing by the state, in favour of provision by the not-for-profit sector reflected a wider European trend. For example, ‘registered social landlords’ managed 5% of the total English housing stock in 1998, while 16% was managed by the local authorities and new town authorities. New social housing is developed almost exclusively by housing associations, which accounted for 18,000 completions in 2000, while the local authorities and new towns completed fewer than 500 housing units (Housing Corporation, 2000). The importance of this ‘third sector’ has been increasing across a range of welfare services, such as health and education, in many modern welfare states (Mullins et al., 2003).

Housing associations may be defined simply as “…voluntary organisations whose main purpose is to provide rented housing at affordable rents on a not-for-profit basis” (Malpass, 2000, 4). In order to access capital funding from the state, a housing association must first gain ‘approved status’ from the Department of the Environment, Heritage and Local Government (DOEHLG). Several legal structures are acceptable, including companies limited by guarantee without a shareholding, industrial and provident societies and charitable trusts. Housing associations are independent, self-governing organisations but it is stipulated that an effective governing body must be in place, in the form of a board of directors or trustees, assuming direct responsibility for overseeing the construction and management of their housing stocks. In order to gain approved status, the organisation in question must:

“(a) have as primary objects the relief of housing needs, or poverty or hardship or the welfare of Travellers, and the provision and management of housing,
(b) have in its memorandum of association or registered rules…provisions prohibiting the distribution of any surplus, profit, bonus or dividend to members and requiring that the assets of the body be applied solely towards its objects” (DOELG, 2002, 11).

Chapter 2 of this thesis comprises a review of the literature on the origins and development of the voluntary-housing sector and emerging concerns regarding barriers to development and the governance and accountability of housing associations. Chapter 3 outlines the detailed aims and objectives of this research and the research methodology. Chapter 4 briefly discusses the size and characteristics of the voluntary-housing sector. Public-sector perspectives towards the sector are explored in Chapter 5, while the approaches adopted by
associations to developing and managing their housing stocks are examined in Chapters 6 and 7, in the context of the issues highlighted by public-sector officials. The governance of housing associations is discussed in Chapter 8, focusing on the characteristics of directors and the approaches adopted to their selection. Chapter 9 addresses the issues of professionalisation and voluntarism within housing associations and the role played by the board of directors. Finally, Chapter 10 draws together the conclusions of this research.
CHAPTER 2. LITERATURE REVIEW

2.1 INTRODUCTION

There is a dearth of research on the Irish housing system, particularly with regard to its smallest constituent, the voluntary-housing sector. Little empirical research on housing associations has been undertaken in recent years, with two notable exceptions. Brooke (2001) has undertaken an analysis of state supports for housing associations. The barriers to increasing output and building mixed communities faced by housing associations were identified and measures to overcome these barriers proposed. A detailed comparative study of non-profit housing organisations in the Republic of Ireland and Northern Ireland has also been completed, by Mullins et al. (2003). Several publications, focusing on the development of the voluntary-housing sector and government policy towards it, supplement these research reports (Brooke and Clayton, forthcoming-2004; Kenna, 2000; O'Sullivan 1998a, O'Sullivan 1998b; Williamson, 2000). Very little information is gathered by either local or central government, with no collection of the kinds of data necessary for the monitoring or evaluation of housing-association performance. Thus, government policy towards the sector continues to be formulated within a virtual information vacuum. This thesis aimed to contribute to rectifying this lack of research and information on the characteristics and activities of the housing associations in the Republic of Ireland.

2.2 THE ORIGINS AND DEVELOPMENT OF THE VOLUNTARY HOUSING SECTOR

2.2.1 Pioneers of Social Housing

Philanthropic organisations pioneered the development and management of early 'social housing' in the towns and cities of Ireland, many years before the state began to tackle the problems of urban slums (Aalen, 1990). The provision of public housing in Ireland commenced in 1879 but early provision was concentrated in rural districts (Fraser, 1996). It was largely constructed under the Labourers (Ireland) Acts, 1883-1919, which provided for the re-housing of agricultural labourers by rural district councils. By 1914, when the
outbreak of war interrupted building activities, almost 44,000 labourers’ cottages had been constructed in rural Ireland. In contrast, the problems of Ireland’s urban slums remained largely neglected and by 1914, urban local authorities had constructed only 8,063 dwellings (Department of Local Government, 1961). For example, Dublin Corporation had provided fewer than 1,500 dwellings at this time, in spite of the immense problem of overcrowded and insanitary tenement dwellings that were generally regarded as the primary cause of the city’s exceptionally high disease and mortality rates (Aalen, 1986).

State intervention in urban housing problems was hesitant, although housing conditions always constituted an important part of the public health debate. Public health reforms initially focused on the improvement of water supply and sanitation in the 1840s and 1850s, broadening to the closure of individual insanitary buildings and the clearance of entire slum areas for redevelopment in the 1860s and 1870s. This evolution broadly followed a similar pattern to Britain, with the enactment of similar legislation. Finally, the 1880s saw the cautious beginnings of direct public housing provision in Ireland’s urban areas, with the gradual realisation that an effective solution to slum housing was beyond the scope of private and philanthropic endeavour (Aalen, 1992a). Waterford Corporation developed the first municipal housing project in Ireland in 1879 and thirteen urban authorities followed suit, completing a total of 570 dwellings in the 1880s. The biggest developers were Dublin Corporation and Cork Corporation but a number of smaller urban authorities such as Sligo Urban District Council and New Ross Town Commissioners also undertook early municipal housing developments (Fraser, 1996). However, progress in urban areas was modest and the problems of urban slums were not tackled seriously until after the First World War (Aalen, 1986).

Philanthropic housing organisations emerged in mid- to late-nineteenth century in this context of limited state intervention in urban housing. They built upon the limited tradition of small almshouses serving local parishes, which were developed under the patronage of wealthy landowners. Early examples included the Shee Almshouse in Kilkenny which dates from 1582 (O’Cochlain, 1986), the Holy Ghost Hospital in Waterford from 1583 (see Plate 2.1a), the Earl of Cork’s Almshouses in Youghal from 1613, the Southwell Charity’s Almshouses in Kinsale and Downpatrick from 1680 and 1733 and Skiddy’s Almshouse in Cork from 1719 (Craig, 1997). Most of the philanthropic housing organisations emerging in the nineteenth century were similarly small in scale. The major initiatives, which have been most researched, were concentrated in Dublin, with some smaller ventures in Cork
and other cities and towns (Aalen, 1992b). However, they paved the way for later public housing initiatives, by developing innovative dwelling designs and layouts and pioneering the field of large-scale housing management. Three broad categories of philanthropic housing activity emerged in Britain and Ireland: model industrial villages, model dwelling companies and philanthropic housing trusts (Aalen, 1990).

**Model Industrial Village**

It was uncommon in Ireland for private companies to construct improved housing for their workers. There were no Irish counterparts of the famous model industrial villages in Britain that were established on a partly philanthropic basis by industrialists seeking to improve the living conditions and hence productivity of their workers, such as Saltaire (1853), Bournville (1879), Port Sunlight (1889) and New Earswick (1904) (Aalen, 1990). The relative lack of nineteenth-century industrial housing in Ireland may be attributed to "...the lack of large industrial concerns, the existence of a captive labour market and a general weakness in philanthropy" (Daly, 1985, 84).

Some small-scale developments were undertaken by private companies to house their own workers. Although little working-class housing was constructed in the eighteenth and early-nineteenth centuries, industrialists developed most of the limited amount that was built. These housing developments were usually located close to steam-powered mills and factories in rural areas and small towns. Some complete industrial villages were developed between 1830 and 1870, primarily associated with linen production and spatially concentrated in Down and Armagh. A few of these industrial villages were developed outside of Ulster; Prosperous in Kildare, Stratford in Wicklow and Portlaw in Waterford (Hunt, 2000). Philanthropy certainly played a part in the development of some of these villages. For example, David Malcolmson, a Quaker industrialist, expanded and remodelled the village of Portlaw for the purpose of establishing a new cotton manufacturing enterprise. In addition to improved housing, health, welfare and education services were also provided for the residents of Portlaw. However, the model of service provision adopted has been criticised on the grounds of paternalism and seeking to control the workers’ behaviour. Furthermore, it was argued that economic considerations were foremost in the decision to provide improved workers’ conditions:

"Temperance and health care improved worker efficiency; duation produced operatives that were more capable of managing machinery and equipment. Membership of the welfare service was voluntary, and those who joined were rewarded with a reduction in rent. The welfare service also offered financial assistance in times of hardship. However, the provision of services was not without controversy..."
Over the course of the nineteenth century, factory production became increasingly mechanised and concentrated in the large urban centres. Industrialists continued to construct limited amounts of housing for their workers in the cities but this early industrial housing was usually poor quality and lacked basic amenities. The construction of this type of workers’ housing declined in most parts of the country towards the end of the nineteenth century, as a result of the increased building costs that followed the introduction of more effective sanitary legislation (Aalen, 1992a).

Dublin was exceptional in this regard, as the acute shortage of working-class housing that continued throughout the nineteenth century sometimes obliged firms to provide housing for their key workers, particularly when their operations were located on the outskirts of the city. One of the first Dublin firms to construct improved workers’ housing was Pim’s textile firm, which built cottages in Harold’s Cross in 1854 (Daly, 1985). From the 1860s onwards, a number of Dublin’s large industrial firms erected improved housing for their workers, generally close to the workplace, including Watkins’ brewery, the Guinness brewery and the railway and tram companies. The houses provided by private firms for their own workers were generally of a much higher standard than the working-class accommodation otherwise available. However, it was often intended for the skilled employees, artisans and clerical workers, rather than unskilled labourers (Aalen, 1985). By 1914, private companies had made the modest contribution of 569 improved dwellings for their workers in Dublin and the surrounding suburbs (Daly, 1985).

**Model Dwelling Companies**

The first large-scale and sustained effort to construct improved working-class housing in Ireland’s cities began as late as the 1870s with the establishment of model dwelling companies, which aimed to provide good quality working-class housing on a commercial basis. However, investors’ dividends were limited, typically to a modest 5%, earning these companies the label of ‘5% philanthropists’. Such companies followed the example of similar London-based organisations (Tarn, 1971; Tarn 1973). The introduction of the *Artisans’ and Labourers’ Dwellings Act* (Cross Act) of 1875 provided a particular stimulus to the establishment of model dwellings companies, as local authorities were empowered to purchase and clear insanitary slum areas and sell the cleared land to private developers for the erection of working-class housing. Indirect public subsidies were available to these
companies, in the form of low-interest loans and central sites at below market prices (Aalen, 1985).

By far the largest in Ireland was the Dublin Artisans’ Dwellings Company (DADCo), although other smaller model dwelling companies did exist, such as the Thomond Artisans’ Dwellings Company, which built fifty dwellings in Limerick (Aalen, 1992b). The DADCo was established in 1876 by members of the Dublin Sanitary Association, a voluntary organisation comprising influential individuals campaigning for improved health and living conditions in Dublin. Although the DADCo did initially construct some blocks of flats, their housing estates proved more successful. Most of their developments comprised single- or two-storey rendered or redbrick cottages on scattered sites in Dublin (Aalen, 1990) (see Plate 2.1b). The company was most active during the 1880s and 1890s with little new housing being constructed after 1908, which Aalen (1985) attributes to rising land and construction costs combined with competition from Dublin Corporation’s housing schemes. By 1914, the DADCo had made the substantial contribution of 3,323 dwellings to the city’s housing stock; more than double Dublin Corporation’s housing stock at that time. Furthermore, the company had demonstrated that it was possible to provide a decent standard of working-class accommodation on a commercial basis (Aalen, 1985).

However, the DADCo has been subject to criticism on several grounds. The design and layout of DADCo housing estates has been criticised for the uniformity of the buildings, the absence of recreational space and the unimaginative layouts, with straight, repetitive rows conforming closely to public health bye-laws. Furthermore, the DADCo seems to have adopted a paternalistic style of housing management, as the company was very fussy about the selection of tenants and their subsequent behaviour: “Strict supervision was imposed on the tenants by resident caretakers and the unsatisfactory, disorderly tenants were summarily ejected” (Aalen, 1985,147). Despite these objections, the properties remained very popular, with long waiting lists for houses. Finally, the model dwelling companies can be criticised for failing to house the poorest families, as the rents charged were approximately 40% of the wages of unskilled labourers (Daly, 1985). The majority of the DADCo’s tenants belonged to the skilled working class with full-time, secure employment who were able to meet the relatively high rents, with a minority of unskilled labourers (Prunty, 1998). The company argued that the poorest people would benefit in any case, as better-quality accommodation would become available and overcrowding in the
tenements would be relieved when artisans moved into the new DADCo estates. This is debatable, given the relatively small scale of operations in comparison to the huge scale of housing need (Aalen, 1985).

**Small-Scale Private Initiatives**

A number of other small-scale semi-philanthropic housing organisations emerged in the nineteenth century, which renovated tenements and built new flats. These ventures were too small to have any significant effect on the total housing stock but they were nevertheless important in highlighting housing issues and pioneering new ways of providing and managing working-class housing. One of the earlier private initiatives to be established in Dublin was the Industrial Tenements Company, which was established in 1867. Towards the end of the century, there was a surge of activity, with the establishment of the Dublin and Suburban Workmen’s Dwellings Company in 1890, the Association for the Housing of the Very Poor Ltd. in 1898, and finally, two organisations that were heavily influenced by the ideas of Octavia Hill: the Alexandra Guild Tenements Company in 1898 (Valiulis, 1997) and the Trinity Social Service Tenements Company in 1900 (Aalen, 1985).

**Philanthropic Housing Trusts**

Philanthropic housing trusts were generally established by large donations from wealthy industrialists with the specific aim of housing the poorest people who had largely been neglected by the ‘5% philanthropists’. These trusts were the only strictly philanthropic working-class housing initiatives to operate without any commercial motivation. The famous Peabody Trust, established in 1862, was the first major philanthropic housing trust to operate in Britain and it was followed nearly thirty years later by a succession of similar trusts, beginning with the Guinness Trust in 1890 and then the Sutton Housing Trust in 1900 and the Samuel Lewis Trust in 1906:

"These enterprises showed that the old philanthropic tradition was not exhausted. At a time of crisis they gave renewed impetus to the working-class housing movement and explicitly aimed to correct one of its major deficiencies by attempting to reach the lower paid" (Aalen, 1990, 6).

This caused some controversy as the model dwellings companies claimed that it discouraged commercial developers of working-class housing. Furthermore, some of the trusts, particularly the Peabody Trust, were criticised for the austere architecture of their
blocks of flats, arguing that they resembled workhouses or barracks and created "...an architecture of stern paternalism and social control" (Aalen, 1990, 6).

The Guinness Trust was the first major philanthropic housing trust to operate in Ireland. The Trust was founded by Sir Edward Cecil Guinness to provide working-class housing and related services in London and Dublin. This evolved into the Iveagh Trust, which was set up thirteen years later in order to administer the Dublin fund separately. Unlike the DADCo, the Iveagh Trust aimed to meet the needs of the poorest sectors of society by setting an income limit for prospective tenants. Early Iveagh Trust developments generally comprised large, red-brick blocks of flats in Dublin's inner-city. The Iveagh Buildings at Bull Alley, the Trust's most ambitious development, formed a fully serviced community in the south-west inner-city. In addition to flats for working-class families and a hostel for single men, a range of services were provided including ground-floor shop units, the Iveagh Public Baths and the Iveagh Play Centre, which was intended as a 'people's palace' and equipped with classrooms, reception rooms, a gymnasium and an assembly hall (see Plate 2.2). By 1914, the Iveagh Trust had contributed 704 flats and a further 508 hostel beds in Dublin city centre (Aalen, 1990).

The only other major housing trust to operate in Ireland on a large scale was the Irish Sailors' and Soldiers' Land Trust, which was quite different as it was established by the British Government in 1922 with the aim of housing ex-servicemen. The Trust built more than 4,000 houses in the 1920s and 1930s in both the countryside and in small housing estates on the outskirts of towns and cities (see Aalen, 1988).

Developments 1914-1984

By 1914, philanthropic housing organisations had constructed approximately 5,270 flats and houses in Dublin, where the major philanthropic ventures were concentrated, accommodating around 24,000 people. The DADCo made by far the most significant contribution to this figure with 3,323 dwellings, followed by the Iveagh Trust with 704 dwellings. In contrast to the achievements of the philanthropic bodies, Dublin Corporation, which completed its first housing scheme in 1887, had completed only 1,385 units of accommodation by 1914 (Inquiry into the Housing of the Working Classes of the City of Dublin, 1943). To put these efforts in context, the Report of the Inquiry into the Housing Conditions of the Working Classes in Dublin (1914) estimated that a minimum of 14,000
houses were still urgently required in Dublin. It had become clear that the extent of the housing problem in Ireland’s cities and towns was so great that its resolution was beyond the scope of philanthropy. However, a number of nineteenth-century philanthropic housing organisations survived and remained active to the present day, including the Iveagh Trust, which is currently one of the largest housing associations in Ireland.

Nineteenth-century philanthropic housing organisations were successful in pioneering innovative approaches to providing working-class housing, paving the way for direct local-authority provision, which began to take off in earnest following the First World War (see Figure 2.1). It appears that philanthropic housing activity began to stagnate and decline at this point, as it was ‘crowded out’ by local-authority provision in urban areas (Mullins et al., 2003). The Inquiry into the Housing of the Working Classes of the City of Dublin (1943) reported that the activities of semi-philanthropic and philanthropic organisations in Dublin were very small-scale by the 1940s, with approximately 448 new or renovated dwellings completed between 1922 and 1942. Many of the semi-philanthropic organisations were reported to be reluctant to resume construction as it was considered uneconomic to do so. However, important recent research (McManus, 1996, 1998, 1999, 2002, 2004) has shown that considerably more philanthropic housing activity took place in the early- to mid-twentieth century than was previously thought, under the guise of public utility societies.

**Public Utility Societies**

Registration as a public utility society was open to a range of organisations, including industrial and provident societies, friendly societies and trade unions whose objects included the provision of housing for the working classes or “...a company which satisfies the Minister that its objects are wholly philanthropic and include the provision of houses for the working classes.” (McManus, 2002, 269). Described as ‘semi-private developers’ due to their strong links with the local authorities, these societies took advantage of increasingly generous grants for house building, local-authority assistance with the provision of sites and site preparation and the remission of rates (McManus, 2002). By 1940, a total of 180 public utility societies had registered in the Republic of Ireland, accounting for the construction of 17,169 houses since 1924 (McManus, 2004).
Several types of public utility society have been identified, including those providing working-class housing on a purely philanthropic basis, those developing housing on behalf of their members on a co-operative basis, those run by speculative builders to develop modest housing for sale or rent on the private market and, finally, those drawing down grants on behalf of individual members rather developing housing directly. Rather than stagnating, philanthropic activity in the housing field in the first half of the twentieth century may simply have been channelled into public utility societies. Further research is necessary in order to quantify the various types of public utility society. McManus (2004) concluded that philanthropic societies probably did not account for a large proportion of public utility societies. However, some were very influential as they attracted a lot of publicity (McManus, 1999).

Interestingly, issues of governance and accountability, which still have resonance for the voluntary-housing sector today, began to arise in the 1930s with regard to public utility societies. The use of these societies by speculative builders to qualify for a higher level of grant assistance was not considered contrary to the spirit of the Housing Acts, as they were contributing to the achievement of the primary goal of stimulating the development of working-class housing. However, fraud and abuse of the system did not seem unusual and the activities of some public utility societies began to be questioned in the 1930s:

"...by 1934, Dáil questions were being asked about the extent to which public utility societies were monitored and held accountable for their actions. Mr. James Everett, TD for Wicklow, asked the Minister whether he was aware that 'a number of Utility Societies, having abandoned their co-operative characteristics, are earning substantial profits for individual promoters and that the advantages of the grants payable to such societies were not being passed on to the occupiers of the houses built by them...'" (McManus, 2002, 303).

However, little action was taken and it was concluded that the operations of public utility societies were very difficult to control, even where there was clear evidence of misconduct.

2.2.2 A Complementary Role for Housing Associations

From the early 1950s, a series of enabling acts gave the relevant state agencies an increasingly wide range of powers to assist voluntary housing associations in the provision of social housing. Gaps in health-board and local-authority provision of accommodation and associated support services for people with 'special needs', such as elderly and disabled people, resulted in the emergence of voluntary organisations accommodating these groups, often on a small, localised scale. The types of public assistance made available prior to the 1990s encouraged housing associations to specialise in this 'special
needs’ niche. Little assistance was available for housing low-income families, which had become the responsibility of the local authorities. The *Health Act, 1953; Housing (Loans and Grants) Act, 1962; Housing Act, 1966* and *Housing (Miscellaneous Provisions) Act, 1979* provided the legislative framework for the early assistance of housing associations.

**Health Act, 1953**

The first provisions related to the health authorities rather than local government, with S.65 of the *Health Act, 1953* enabling them to assist “...any body which provides or proposes to provide a service similar or ancillary to a service which the health authority may provide...”. The health authorities could henceforth assist organisations involved in the provision of sheltered housing and associated support services for tenants with ‘special needs’ in a range of ways. Permissible assistance included contributing to running costs, supplying commodities such as fuel or food, permitting the use of health-authority premises, providing premises and altering or repairing premises. However, a defined revenue funding scheme for housing associations catering for tenants with special needs was not introduced and S.65 payments remained *ad hoc* and discretionary.

**Housing (Loans and Grants) Act, 1962**

Almost a decade later, the Minister for Local Government and the local authorities began to be given similar powers to assist voluntary housing associations. A new scheme of ‘grants for housing elderly persons’ was introduced under S.6 of the *Housing (Loans and Grants) Act, 1962*. The Department of Local Government could make grants of up to IR£300 per dwelling to bodies approved by the Minister, for the purpose of providing houses for elderly people, through construction, purchase or renovation. The relevant local authority could provide a supplementary grant of an equal amount (Department of Local Government, 1963).

**Housing Act, 1966**

The range of options available to the Department of Local Government and the local authorities for supporting voluntary housing associations were improved and broadened by a major piece of consolidating legislation, the *Housing Act, 1966*. The scheme of ‘grants for housing elderly persons’ was strengthened under S.19 of this act, to include accommodation of persons providing welfare or caretaker services to the elderly tenants,
subject to a maximum of IR250. The Minister for Local Government was also empowered to assist voluntary bodies catering for other types of housing need under S.45 of this act. This assistance was limited to making financial contributions towards the annual loan charges incurred by an approved body with respect to money borrowed for the provision of housing or sites. However, the local authorities gained a whole range of new powers to provide financial assistance to certain bodies under S.12 of the act, including guaranteeing loans, providing loans or making periodic contributions to the their funds. Bodies eligible for such assistance included those whose objects included the provision of dwellings for elderly people and those engaged in the provision of dwellings which will help to secure local-authority objectives. These objectives included addressing the problems of unfitness, overcrowding and tuberculosis and “the provision of adequate and suitable housing accommodation for persons (including elderly or disabled persons) who, in the opinion of the housing authority are in need of and are unable to provide accommodation from their own resources” (Housing Act, 1966). The Department of Local Government subsequently issued guidelines to the local authorities regarding the implementation of the S.12 provisions, specifying the types of organisations and housing projects which would be eligible for assistance and the maximum levels of assistance that could be granted (circulars H7/72 issued June 1972 and H16/72 issued August 1972, cited in Department of Local Government, 1974).

Although the emphasis of much of the early legislation and guidelines was clearly on providing assistance for the provision of housing and associated services for elderly or disabled tenants, some steps were taken to promote the provision of housing for low-income families under S.12. A new public subsidy scheme was introduced in 1972, whereby up to one-third of the total loan charges incurred by a housing association in the purchase and conversion of existing houses were payable, if they were rented on a non-profit basis to families eligible for local-authority housing (circular H16/72 issued August 1972, cited in Department of Local Government, 1974). According to the Department of Local Government (1974, 48), “The subsidy is intended primarily to provide for the needs of small families who may have a low priority on local authority waiting lists”. However, this scheme was subject to a number of limitations. It was only available for the first seven to ten years of the loan period because it was assumed that tenants’ incomes would subsequently increase, enabling them to pay normal economic rents after ten years. Furthermore, the money had to be borrowed from a source other than the local authority in
order to qualify for the loan interest subsidy, which could pose difficulties (Geoghegan, 1983).

**Housing (Miscellaneous Provisions) Act, 1979**

In 1979, the first provisions for funding the activities of the representative bodies for voluntary and co-operative housing were introduced. S.3 of the *Housing (Miscellaneous Provisions) Act, 1979* gave the Minister for Local Government the power to make grants to cover the administrative and general expenses incurred by "...a body which represents or promotes the formation of co-operative groups or voluntary associations which have as an object the provision of houses".

Details of a new loan scheme for the provision of housing for the elderly were also circulated to the local authorities in the same year. Up to 75% of the capital cost of providing housing units could be borrowed. This could be supplemented by a capital grant of IRE1,000 for the accommodation for persons providing caretaker or welfare services (circular BC1/79 issued February 1979, cited in Geoghegan, 1983).

**The Capital Loan and Rental Subsidy Schemes, 1981**

The financial supports available to housing associations were further improved with the introduction of the 1981 Housing Package. The loan available to housing associations was increased to 90% of the capital cost, while the eligible categories of housing need were broadened to include people with disabilities, single parents, women who were victims of domestic violence and low-income families on the local-authority waiting list, in addition to the elderly. The remaining 10% of the capital costs had to be raised by the housing association. Housing associations could also negotiate with the local authority for the payment of a rental subsidy, provided 75% of the dwelling units were let to the eligible categories of housing need. This subsidy was subject to a maximum of 50% of the economic rent of new local authority houses built in the same area in the preceding year (circular BC5/81 issued May 1981, cited in Geoghegan, 1983).

**The Capital Assistance Scheme (CAS), 1984**

An important landmark in the development of state supports for voluntary housing came in 1984, with the introduction of the Capital Assistance Scheme (CAS). Contemporary
research found that most housing associations felt that the state supports available prior to 1984 were insufficient, retarding the growth of the sector:

"...most groups express a sense of frustration about the resources available to them or the means by which they gain access to the various financial and other aids. They feel that this delays and inhibits housing activity" (Geoghegan, 1983).

By this stage, some 74 housing associations had been granted 'approved status' by the Department of the Environment (DOE), enabling them to apply for public assistance. However, the sector remained relatively small, with a voluntary-housing stock comprising about 1,850 dwellings (Geoghegan, 1983), of which 1,100 were rented to elderly people (Thompson, 1988). It was argued that the small size of the stock belied the vibrancy of the voluntary-housing sector, as the delivery of support services was frequently as important as the provision of housing (Geoghegan, 1983):

"...the extent of this provision should...be considered in the light of the on-going caring which often accompanies the provision of physical shelter. Examples of this caring are the groups catering for the elderly, who provide a regular visiting service, or the single parent organisations who concern themselves with the total welfare of the families they serve" (Geoghegan, 1983).

Thus, the voluntary-housing sector had adopted a role complementary to that of the local authorities. Whereas public housing catered primarily for low-income families, housing associations had emerged to fill gaps in the provision of housing and support services for people with 'special needs'. Although the new funding scheme replaced the various loan and grant schemes which had developed incrementally over the preceding thirty years, it continued to encourage housing associations to fulfil this complementary role. Under the CAS, housing associations could avail of a non-repayable loan, which in effect was a grant, of IR£16,000 per housing unit subject to a maximum of 80% of the total cost of the housing project (circular H5/84 issued March 1984, cited in circular BC9/85 issued December 1985). The terms and conditions of the CAS were clearly designed to cater for tenants with special needs rather than low-income families. A uniform grant limit applied, irrespective of the size and type of housing units being developed, and the association had to contribute the 20% shortfall in the funding available from the state. These factors encouraged housing associations to continue in their traditional niche of developing and managing smaller, one- or two-person housing units for people with special needs, often in one-off developments. They made it difficult to provide larger, family-type housing, which would have enabled housing associations to play a more prominent role in the housing system (DOE, 1991b).
The introduction of the CAS in 1984 was followed by a burst of growth in the voluntary-housing sector, albeit from small beginnings. By the end of 1990, a total of 210 housing associations had ‘approved status’, enabling them to apply for funding under the new scheme, although many of these organisations must have been inactive or very small. Over a relatively short space of time, the total voluntary-housing stock increased by 88%, to comprise approximately 3,476 housing units by the end of 1990. In spite of this increased activity, the voluntary-housing sector remained small, comprising considerably less than one per cent of the Republic of Ireland’s total housing stock. Housing associations continued to occupy the niche of ‘special needs’ housing, while catering for low-income families remained the preserve of the local authorities. Up to this point, the standard response of successive governments to cyclical housing shortages had been to increase the local-authority building programme (O’Sullivan, 1998a). However, the 1990s heralded a new approach to addressing housing need among low-income households.

2.3 A MAINSTREAM ROLE FOR HOUSING ASSOCIATIONS

The housing affordability crisis of the 1990s and increasing dissatisfaction with the poor standard of housing management achieved by the local authorities were key factors in prompting the adoption of a new approach to meeting the housing needs of low-income families.

2.3.1 The Housing Affordability Crisis of the 1990s

Since 1993, Ireland’s economy, dubbed the ‘Celtic Tiger’, has undergone a sustained period of exceptionally robust economic growth, resulting in an upward spiral in house price inflation, from mid-1996 onwards. Many aspiring home owners with low to average incomes, despite being credit-worthy and in full-time employment, were being offered mortgages insufficient to access home ownership at current prices. This affordability gap between average earnings and average house prices forced many of these households to postpone their entry into owner-occupation and look elsewhere to meet their housing needs. The transfer of housing need to other sectors resulted in a rapid increase in rent levels in the private-rented sector and unprecedented growth in the waiting lists for local-
authority housing. High capital returns and strong rental yields led investors to intensify demand for housing. Thus, the 1990s have seen the commodification of housing from a social good into an attractive investment asset (Downey, 1998).

The continuing ‘housing affordability crisis’ comprises two different affordability issues, featuring in two separate policy arenas. The first policy arena is the mainstream tenure of owner-occupation, which is the dominant area of concern in Irish politics, media and popular perceptions. However, the issue of affordability in this context relates primarily to the forced postponement of house purchase for those households on low to medium incomes who are currently priced out of the housing market. The second policy arena deals with the more marginal tenures of private and social rental housing. Due to the inadequacy of social-housing provision, many households who are represented on local-authority waiting lists because they do not have the means to secure suitable accommodation through the housing market reside in private rented housing. The issue of affordability in this context relates to social exclusion, with problems such as homelessness, poor housing conditions, eviction and poverty impacting upon health and welfare (Downey, 1998). Thus, Downey (1998, 5) argued that “...there are two affordability problems, one of which is more ‘real’ than the other”. The problem for more affluent young adults with ever-growing expectations comprises the postponement of home ownership, while the problem for low-income households is that of homelessness and social exclusion.

2.3.2 Criticism of Local Authority Housing Management

Until the 1980s, little attention had been paid to the quality of the housing management services provided by the housing authorities. Public housing policy tended to focus on new-build local-authority housing and issues relating to housing standards, amenities and overcrowding (Redmond and Walker, 1993). Thus, it could be argued that the local authorities:

“...traditionally administered rather than managed local authority housing - they provided a housing service according to strict bureaucratic rules but showed little capacity to respond to customer needs, recognise problems or respond with any flexibility to the changing circumstances and composition of the clientele for local authority housing. As a consequence, problems were allowed to grow and fester in certain local authority estates and the standing of local authority housing as a whole was steadily undermined” (O’Connell, 1999, 78).

However, the 1980s brought increasing criticism of the standard of housing management achieved by the local authorities. The National and Economic and Social Council identified several weaknesses in 1988, including a paternalistic approach with inadequate
consultation with tenants, a perception among tenants that the system is uncaring and impersonal and an overwhelming focus on housing considerations with very limited provision of social services to tenants (Blackwell, 1988).

Perhaps the strongest criticism of local-authority housing management to emerge in recent years has emanated from the DOE (O'Connell, 1999). In a memorandum issued in 1993, to aid the local authorities in the preparation of housing policy statements, the DOE listed "...a devastating catalogue of weaknesses which the Department considered were then common in local authority housing management" (O'Connell, 1999, 61). Some of these concerns echoed and expanded Blackwell's (1988) earlier criticisms. They included insufficient medium and long-term planning; an overly centralised service which is remote from tenants; a lack of tenant participation in estate management; unco-ordinated service provision; poor value for money with very high expenditure on maintenance and refurbishment; over-reliance on the Remedial Works Scheme to compensate for poor management; an emphasis on response-maintenance rather than a planned programme of maintenance and inadequate information systems with poor monitoring (DOE, 1993).

It must be borne in mind that the DOE was not entirely blameless. It failed to generate systematic information or research to back-up its negative assessment of local authority housing management, which is a poor reflection on the Department's central managerial role. Exhortations to local authorities to improve housing management performance focussed almost exclusively on desired practice for the future. Little attention was paid to the source of problems and there was a lack of guidance on how to overcome constraints on good practice (O'Connell, 1999). Nevertheless, the DOE placed the blame for the poor management of public housing firmly on the local authorities, concluding that "Clearly, the approach of the past will not suffice for the future and there is an obligation on all local authorities to radically examine their whole approach to housing management" (DOE, 1993, 19).

The DOE implemented three policy responses to address the wave of criticism of local-authority housing practices culminating in their damning missive of 1993. In the context of the unprecedented shortage of social housing caused by the wider housing affordability crisis of the 1990s, the local authorities were encouraged to improve their housing management techniques and to develop a new strategic role in relation to housing
provision, while alternative models of housing provision to traditional local-authority housing were also introduced.

**2.3.3 Improvements in Local Authority Housing Management**

In response to stringent criticism, many local authorities have clearly attempted to improve their housing management performance, although it appears that some authorities have been more enthusiastic and innovative than others (O’Connell, 1999; Redmond, 2001). The decentralisation of service delivery with the provision of one-stop shops under *Better Local Government: A Programme for Change* (DOE, 1996a), facilitated the development of more responsive and accessible public-housing services. The local authorities’ efforts to improve their housing management performance have also been aided by several initiatives to promote best practice, including the establishment of regional networks of local-authority housing practitioners, the Housing Management Group (1996, 1998), The Housing Unit (1999, 2000, 2001a, 2001b, 2001c, 2003a, 2003b) and the Value-for Money Unit (DOE, 1996b, 1997a). According to O’Connell (1999), an element of competition has been introduced by hints at a political level that housing management and estate regeneration do not necessarily have to be delivered by the local authority. This potential threat has focused local-authority management and trade unions on overcoming traditionally problematic industrial relations issues to improve housing services. Perhaps these improvements were too little too late, as the local authorities have increasingly been expected to develop new strategic and enabling roles, which have been of crucial importance to the emergence of a mainstream role for housing associations.

**2.3.4 A Strategic Role for the Local Authorities**

In the 1990s, the DOE increasingly expected the local authorities to develop a new strategic role in relation to the provision and management of their own housing stocks and, subsequently, in relation to the provision of housing by each sector of the housing market. This reflected a broader move towards enhancing the local authorities’ capacity to engage in strategic planning for the delivery of all local services. Under *Better Local Government: A Programme for Change* (DOE, 1996a), strategic policy committees (SPCs) were introduced for each of the major functions of the local authority, replacing the previous ad-hoc committee structure. This SPC structure was intended to provide a more meaningful role for councillors in the review and development of policy for local-authority services.
Membership of each committee mirrors the national social partnership model, with at least one-third of the SPC members representing relevant public, private or voluntary/community organisations. This was intended to foster local participation, ensure relevance to local communities and exploit the expertise of other organisations with pertinent interests. The SPCs have an active role in strategic planning by identifying particular policy areas for in-depth examination and consideration and then reporting the recommended changes to the full council. To this end, each SPC is supported by the programme manager for the relevant service, who submits policy review papers as required. The corporate policy group (CPG), comprising the SPC chairpersons with the Cathaoirleach, formulates policy directions affecting the whole local authority, for submission to the full council. It was envisaged that this new committee structure would create a much stronger policy-making role for councillors with regard to strategic planning for local services (DOE, 1996a).

The local authorities' strategic role, with specific regard to public housing, was deepened in 1993, when each local authority was required to produce a housing policy statement. This made formal strategic planning for the provision and management of local-authority housing stocks obligatory for the first time. These statements were expected to identify deficiencies in housing management systems, set objectives for the management of the housing stock, formulate strategies to attain these objectives and provide details of monitoring arrangements. However, analysis of a sample of the resultant housing policy statements showed that they were generally of poor quality and failed to meet the criteria set out by the DOE (1993):

“In the main, the statements were general and aspirational, focusing on what had been achieved” (Redmond and Walker, 1995, 314).

Nevertheless, the local authorities' strategic role with regard to housing was extended under Part V of the Planning and Development Act, 2000. The local authorities were for the first time required to formulate comprehensive housing supply strategies for incorporation into their statutory development plans, in order to integrate planning for land-use and housing supply. Detailed guidance from the DOELG (2000b, 2000c) stipulated that the aim of these housing strategies was threefold: to determine overall housing supply needs and assess the nature and distribution of these housing needs; to ensure that there was sufficient supply of zoned land to meet existing and forecast demand and to formulate local social and affordable housing supply objectives for each area (DOELG, 2000b). At the same time, the local authorities were also expected to adopt a
more strategic approach to meeting the accommodation and service needs of homeless people. The local authorities and health boards, in partnership with voluntary agencies, were required to formulate homeless action plans for each county, with the overall aim of achieving more integrated and coherent service provision. While the completion of the housing strategies and homeless action plans was broadly welcomed, their overall quality was questionable. Focus Ireland *et al.* (2002) highlighted many areas of concern arising from detailed analysis of all of the plans produced:

"With some exceptions, the plans do not articulate a clear vision or strategic objectives or commit to specific targets. Reflective of the traditionally limited roles and powers afforded policy makers or planners at local level, the documents tend merely to restate central policies, and specific proposals remain largely prescriptive or aspirational. Critically, there remains a very weak commitment to prioritising problems of exclusion and marginalisation in the housing system..." (Focus Ireland *et al.*, 2002, 118).

### 2.3.5 An Enabling Role for the Local Authorities

From the late 1970s, a limited number of prominent policy analysts have highlighted the small scale of housing-association activities in comparison to other European countries and advocated a greater role for the sector in Ireland (Baker and O'Brien, 1979; Blackwell, 1988). Perhaps their recommendations had some resonance with the DOE, as one of its responses to the perceived weaknesses in local-authority housing management, together with a serious shortage of social housing, was the introduction of a range of alternative forms of tenure.

The publication of *A Plan for Social Housing* by the DOE in 1991 represented a fundamental rethinking of the role of the local authorities in the housing field, which had a major impact on the housing-association sector. The replacement of the local authorities' traditional emphasis on the construction and management of social housing with a much wider approach was envisaged. This wider remit included "...a new promotional and facilitating role aimed at improving and speeding up access to housing" (DOE, 1991b, 30). The local authorities were expected to become enabling bodies, promoting a range of housing options, among which voluntary housing was prominent. Several existing housing schemes were improved, including the existing Capital Assistance Scheme, the provision of local-authority loans for house purchase to those unable to obtain private-sector finance and the provision of subsidised sites to co-operatives, housing associations and individuals eligible for local-authority housing. New schemes were also introduced, widening the range of options open to households in housing need, including shared ownership with the
local authority, a mortgage allowance for tenants surrendering a local-authority tenancy, improvements to private houses in-lieu of re-housing and a new voluntary housing scheme (DOE, 1991b).

The local authorities' enabling role deepened during the 1990s. Under Social Housing - The Way Ahead (DOE, 1995a), which reviewed and improved the operation of the measures introduced under the 1991 plan, the local authorities were required to upgrade their housing offices to provide local housing advice centres, making comprehensive information on housing matters available to the public. The range of social housing options available was augmented by a new Affordable Housing Scheme in 1999, enabling first-time buyers with modest incomes to purchase new houses at cost price (DOELG, 1999). This emergence and deepening of the local authorities' strategic and enabling roles since the early 1990s has set the stage for a greatly expanded role for the voluntary-housing sector in the twenty-first century.

2.3.6 Promoting the Voluntary Housing Sector

The advent of the local authorities' new enabling role under A Plan for Social Housing (DOE, 1991b) was accompanied by the introduction of a new funding scheme, the Rental Subsidy Scheme (RSS), which is now known as the Capital Loan and Subsidy Scheme (LSS). The purpose of the new scheme was to encourage housing associations to diversify their activities and become mainstream providers of social housing for low-income families. Initially introduced on a pilot basis, 100% capital funding, subject to unit cost limits, was made available for the first time under this scheme in the form of a low-interest loan from the local authority. The tenants, who had to be eligible for local-authority housing with a household income of less than IR£8,000 per year, were charged income-related rents along the same lines as the local-authority differential rents system. An annual subsidy was payable for each household, making up the shortfall between the rent and the cost of providing the dwelling. This was supplemented by a maintenance allowance of 1% of the capital grant, updated for inflation (DOE, 1991b). Thus, the new scheme had several advantages over the CAS. The absence of a shortfall in funding reduced reliance on charitable donations and enabled housing associations to develop larger, family-type housing units. The maintenance allowance and rental subsidy allowed associations to meet maintenance costs and loan charges without resorting to fund-raising or charging unaffordable rents.
In spite of this promotion of housing associations as mainstream social housing providers, the voluntary-housing sector was also encouraged to continue to cater for tenants with special needs, with the retention and improvement of the CAS. The proportion of the total capital costs of developing a housing project that could be funded under the scheme was increased from 80% to 90%, with a higher rate of 95% applying to accommodation for homeless people. These proportions were subject to a unit cost limit, which was also increased, while a higher limit for ‘category II’ units with three or more bedrooms was introduced, facilitating the development of larger dwellings under the scheme (DOE, 1991b).

This role in the special-needs field was further strengthened by the introduction of another funding stream under A Plan for Social Housing (DOE, 1991b). Grants covering up to 90% of the capital costs of providing communal facilities at new or existing voluntary-housing projects were made available out of National Lottery funds, subject to a maximum of £2,000 per housing unit. These communal facilities could include kitchen, dining and laundry facilities and sitting, activity and therapy rooms (DOE, 1991b).

Initially, the take-up of the new LSS was relatively low, with the completion of nine housing units in 1992 and 141 in 1993. This is not surprising, as the planning and development process is quite slow, commonly exceeding two years. A more serious issue was that very few housing associations in the early 1990s had the capacity to deliver the envisaged expansion and diversification of the voluntary-housing stock (Brooke, 2001). The Iveagh Trust, which housed low-income households in addition to tenants with special needs, was continuing to manage its substantial stock in Dublin. However, financial difficulties during the 1970s and 1980s largely precluded the Trust from embarking on a major development programme in the 1990s, with the maintenance and modernisation of the existing housing stock taking priority until recently (Aalen, 1990). Just two ‘home-grown’ housing associations made extensive use of the LSS in the 1990s. Respond! and the National Association of Building Co-operatives (NABCo) were the only pre-existing associations to complete more than three housing projects under the scheme by the end of 1999 (DOELG, 2000, unpublished data) (see Table 2.1). Respond! was established in Waterford City in 1982 and initially catered for both elderly people and low-income families. Prior to the introduction of the LSS, Respond! had operated agency agreement schemes, whereby housing projects were developed for home ownership on a non-profit
basis on behalf of young couples. By the late 1980s, an increasing volume of CAS projects had led to the expansion of the association, which began to employ staff and to develop a nation-wide building programme. Without an old housing stock in need of refurbishment to hinder its expansion, Respond! was ideally placed to take advantage of the LSS when it was introduced in 1991:

"In 1991, Respond! built the first Rental Subsidy Scheme (RSS) estate in Ireland, in Waterford. The Respond! RSS development in Clonmel pioneered the inclusion of communal facilities on estates and these are now a standard feature of social housing provision" (www.respond.ie; accessed 30/08/04).

Respond! had constructed 1,187 housing units under the LSS by the end of 1999, 56% of the total number of units completed under the new scheme (DOELG, 2000, unpublished data). Established in 1973 as the representative and promotional body for the co-operative housing movement, NABCo also had the benefit of a specialised workforce and considerable experience. While NABCo had previously focused on assisting home-ownership co-operatives, the introduction of the LSS enabled the development of its network of rental housing co-operatives in Dublin:

"A diversification in Governmental social housing polices commenced in the early 1980s with the provision of a new capital assistance scheme and further financial support in 1991 for approved non-profit housing bodies. This enabled NABCo, as an approved body, to commence the development of a network of rental housing co-operatives" (www.nabco.ie, accessed 30/08/04).

NABCo had completed 447 housing units under the LSS by the end of 1999, 21% of the total units developed under the scheme in that period (DOELG, 2000, unpublished data).

In an effort to stimulate further voluntary-sector output, particularly of family-type housing under the new funding regime, the DOELG invited the London-based St. Pancras Housing Association to extend its operations to the Republic of Ireland. Consequently, an Irish sister-organisation, now known as Clúid Housing Association, was established in 1994. Clúid's output during the first five years was modest, comprising 199 housing units which accounted for just 9% of total completions under the LSS by the end of 1999. However, a substantial building programme had been put in place by this time, with approximately 959 housing units at various stages of the planning and approval process (DOELG, 2000, unpublished data). Over the course of the subsequent decade, several more UK housing associations followed suite, including Cara Ireland Housing Association Ltd. which was established in 1996 by an association catering for the Irish community in England (www.caraha.org, accessed 30/08/04). However, most of these new entrants to the voluntary-housing sector were established by Northern Irish housing associations,
including North and West Housing (Ireland) Ltd. in 1995, B.I.H. Housing Association (Ireland) Ltd. in 2000, Oaklee Housing Trust Ltd. in 2001, Clanmil Housing Association (Ireland) Ltd. in 2001 and Fold Housing Association Ireland Ltd. in 2002 (www.cro.ie, accessed 30/08/04). The expansion of Northern Irish associations to the Republic of Ireland may have been prompted by a shift in the relative attractiveness of the two funding regimes. Capital funding arrangements in the Republic may have been more generous than those prevailing in Northern Ireland following the introduction of a mixed funding regime in the mid-1990s, whereby housing associations were encouraged to bear more of the risk of development (Mackay and Williamson, 2001).

A dramatic expansion in the role of housing associations was envisaged under the National Development Plan, 2000-2006 (Government of Ireland, 1999), which included social and affordable housing for the first time. It set the ambitious target output of 4,000 completions per year by 2006. In contrast, just 579 housing units were completed under the voluntary housing schemes in 1999 and the highest output ever achieved by the voluntary sector had been 1,011 completions in 1995 (DOELG, 1999, Annual Housing Statistics Bulletin). The sector’s traditional role was to be retained, as it was envisaged that special-needs housing would account for half of the sector’s target output (Brooke, 2001). While 2,000 housing units per year would certainly represent a substantial increase in voluntary-sector provision for low-income families, it would be insufficient to meet the demand for social-rented housing generated by the housing affordability crisis of the 1990s. The expansion of the voluntary-housing sector was clearly intended to supplement rather than supplant local-authority provision. A significant increase in the local-authority building programme was also envisaged under the National Development Plan, 2000-2006, to achieve a target output of 5,000 completions per year (Government of Ireland, 1999).

In order to facilitate the expansion of the sector, the terms and conditions of both voluntary-housing funding schemes have been revised and updated periodically and the funding limits increased. In addition to several increases in the unit cost limits, revisions to the LSS have included the introduction of separate limits for developments within the five city council areas in 1995 and 47 designated islands in 1997, recognising the higher costs of construction in these locations. Site acquisition was initially included in the unit cost limits but an additional, separate site cost limit was introduced in 1999, with a higher level applying in the major urban areas, in recognition of the higher cost of land (see Table 2.2). The management and maintenance allowance available under the LSS has similarly
improved over the years, from 1% of the approved cost of the housing project in 1991, to 1.5% in 1995 and 2% in 1997 (DOE, 1991b, 1995a, 1997b).

The LSS was substantially revised and simplified in 2002, with the abolition of the ‘rental subsidy’, whereby the public subsidy covered the difference between the income-related rent paid by each tenant and the loan repayments and interest charges incurred in developing their dwelling. Under the new terms of the scheme, the public subsidy covers the loan repayments and interest charges in full, irrespective of tenants’ incomes, subject to continued compliance with the rules of the scheme. As the rents remained income-related, the management and maintenance allowance was retained, although a fixed sum per housing unit replaced the system of calculating the allowance as a proportion of the cost of developing the housing project (DOELG, 2002).

The regulations regarding eligibility for housing under the LSS have gradually been relaxed (see Table 2.3). Initially, eligibility for housing under the LSS was limited to households with an income not exceeding IR£8,000. In 1992, it was decided that 25% of the units in a LSS housing project could be allocated to households with the slightly higher income of IR£10,000 and both income limits were updated periodically over the following years. The income limit was removed for 25% of the tenants in 1997 and then removed altogether in 2001, with the proviso that all households must qualify for local-authority housing (DOE, 1991b, 1992, 1995a, 1997b; DOELG, 2000e, 2001a). The only remaining stipulation regarding eligibility for LSS tenancies is that 75% of the tenants must qualify for local-authority housing. However, the loan subsidy is only payable for those units occupied by households eligible for social housing and households who had been eligible when allocated the unit but whose circumstances had since improved (DOELG, 2002). This gradual relaxation of the eligibility criteria has ensured that housing associations are not restricted to accommodating the poorest households on the waiting list for local-authority housing, addressing the initial threat of voluntary housing becoming even more residualised than the public-rented sector.

Revisions to the older CAS included the introduction of a third category of assistance in 1995, for the provision of halting sites. The same unit cost limits applied for this travellers’ accommodation as for category II units but 100% of the approved capital costs were covered, without any contribution from the housing association being necessary. Further improvements were made in 1997, with the introduction of higher funding limits for the
five city-council areas and 47 islands, in line with the earlier improvements to the LSS. An additional allowance for site costs was also introduced, with a higher limit applying in the major urban areas. In 2001, the maximum level of funding available under the CAS was increased from 90% to 95% of the approved capital cost of developing category I and category II dwellings, reducing housing associations’ contributions to 5% of the total cost (DOE, 1995a, 1997b and DOELG, 2001a) (see Tables 2.4, 2.5 and 2.6).

Funding for the provision of communal facilities in voluntary-housing projects has also been increased over time. A funding limit per housing unit applied, which was increased periodically. The proportion of the approved capital cost that was eligible for funding was also increased in 2002, from 90% to 95%. If funding is not forthcoming under the Lottery-funded communal facilities grants scheme, the cost of providing communal facilities may now be included under the LSS, with the same funding limits applying (DOELG, 2002) (see Table 2.7).

Further measures to promote the expansion of the voluntary-housing sector included the establishment of the Voluntary and Co-operative Housing Unit in 1999, a dedicated unit within the DOELG. A Working Group on Voluntary and Co-operative Housing was also formed, on which the DOELG, the local authorities, the ICSH, NABCo and Respond! were represented. In 2002, the unit produced a detailed manual, updating and consolidating all of the DOELG guidance on administering the two voluntary housing funding schemes, which had previously been circulated to the local authorities via various memoranda. The purpose of this manual was to increase voluntary-sector output by making information on the funding schemes easily accessible to both housing associations and the local authorities. It was hoped that this would enable the local authorities to adopt a more streamlined approach to administering the funding schemes, reducing delays at local level (DOELG, 2002).

2.3.7 Impact on Voluntary Sector Activity

The success of the strategy of promoting the voluntary-housing sector in the wake of the Plan for Social Housing (DOE, 1991b) may be gauged in terms of its impact on the formation, output and diversification of housing associations. The DOELG granted ‘approved status’ to 263 housing associations between 1991 and 2001, enabling them to apply for funding under the voluntary-housing funding schemes. This brought the total
number of approved bodies to 473, a remarkably large complement of potential developers in comparison to the relatively low output of the sector. During this eleven-year period, the rate of housing-association formation remained relatively stable. Between 14 and 33 associations gained approved status each year, with an average of 24 approvals annually. Although considerably more housing associations were gaining approval each year in the 1990s than had generally been the case in the early- to mid-1980s, the availability of the new funding streams under the plan did not seem to have been the sole impetus for this increase. The most marked increase in approvals occurred prior to the publication of the plan, when 86 approvals were granted in 1989 (DOELG, 2001, unpublished list of ‘approved bodies’) (see Figure 2.2). High rates of approval may be attributed to the simple approval process that is in operation in the Republic of Ireland and in contrast to many other EU countries. For example, Mullins et al. (2003) highlighted the contrast with Northern Ireland, where it is quite difficult to register new housing associations. The Northern Ireland Housing Executive has adopted a strategy where existing organisations are the preferred vehicle for further expansion of the voluntary sector housing stock.

The introduction of the new funding regime under _A Plan for Social Housing_ (DOE, 1991b) has had a much more tangible impact on housing-association output, with a substantial increase in annual completions under the two funding schemes. On average, housing associations completed 909 housing units annually, though the 1990s were characterised by considerable variation in annual output. Following a slow start in 1991 and 1992, marked increases in output peaked at 1,011 units in 1995, followed by a sharp decline to just 485 units in 1998. Since 1998, housing-association output has increased dramatically to 1,617 units in 2003, the highest ever achieved by the sector (see Figure 2.3). Overall, a more than threefold increase in the voluntary-housing stock was achieved during the thirteen-year period between 1991 and 2003, with the addition of 11,820 housing units. By 2003, the total voluntary-housing stock comprised approximately 15,296 housing units (DOEHLG, 1991-2003, _Annual Housing Statistics Bulletins_).

Notwithstanding the marked increase in output during the 1990s, the achievements of the voluntary-housing sector remain modest in the context of the levels of overall housing need and activity in other sectors of the housing market. In contrast to the housing-association output of 1,617 units in 2003, the local authorities completed 4,516 units and private developers completed 62,686 units in the same year. The voluntary-housing stock still accounts for only 1.1% of the national housing stock (DOEHLG, 1991-2003, _Annual
The sector will have to sustain continued rapid growth in output if the government’s target of 4,000 units per year is to be met by 2006. This target now appears unrealistic, particularly in the context of the continuing barriers to development faced by housing associations (see Section 2.4).

The voluntary-housing sector has also achieved limited success in diversifying its housing stock to cater for low-income families in addition to tenants with special needs since the publication of *A Plan for Social Housing* (DOE, 1991b). Take-up of the LSS, which was designed to enable the development of larger, family-type units, was limited to a few housing associations, with only twenty associations having completed projects under the scheme by the end of 1999 (DOELG, 2000, unpublished data). The fact that just 5% of the 405 ‘approved bodies’ in existence at that time utilised the LSS was indicative of the specialised nature of the voluntary-housing sector. Few associations aspired to house low-income families, as they tended to have emerged from a gap in local provision for people with special needs.

In terms of output under the LSS, a total of 4,562 housing units were completed under the scheme between 1991 and 2003. This was a noteworthy achievement, particularly in the context of the very limited provision of ‘mainstream’ social housing prior to 1991. However, the CAS, which is more suitable for developing smaller units for people with special support needs, remained heavily utilised by housing associations, accounting for 7,258 completions during the same thirteen-years period. Thus, the LSS accounted for 39% of the completions under the voluntary-housing schemes since 1991, with the majority of housing-association projects being developed under the CAS. CAS completions were only exceeded in two years, 1997 and 2001, and this trend is set to continue as 63% of the housing units completed in 2003 were developed under this scheme (DOEHLG, 1991-2003, *Annual Housing Statistics Bulletins*) (see Figure 2.4).

### 2.3.8 Proposals for Continued Expansion and Diversification

Since the publication of *A Plan for Social Housing* (DOE, 1991b), policy analysts have increasingly advocated the continued expansion and diversification of the role of the voluntary-housing sector (Keegan, 1993; Fahey and Watson, 1995; Bacon, 1999). Perhaps the most radical proposals were put forward by the Lord Mayor’s Commission on Housing, which examined the role of Dublin Corporation as a public housing authority in some
detail. It concluded that housing authorities should refocus their social housing role away from the traditional approach of constructing dwellings for letting to low-income tenants at subsidised rents and move towards acting as a facilitator of social housing development, mainly in the private rented, voluntary and co-operative sectors, through the implementation of the various new social housing measures introduced in 1991:

"...the commission recommended that housing authorities should refocus their social housing role away from this traditional approach towards facilitating a broad range of responses to the housing needs of low-income households. Instead of being a provider of accommodation of first-instance to low-income households the housing authority would act as provider of last resort. All other options would be pursued before consideration was given to the permanent allocation of a local authority dwelling" (Keegan, 1993, 277).

Under the proposed enabling regime, housing associations would become the primary providers of social-rented housing.

A recommendation that housing associations should be enabled to cater for a much wider range of tenants came in 1995. It was argued that the terms and conditions of the two voluntary-housing funding schemes channel associations into the provision of accommodation for the most economically and socially disadvantaged households in the rental sector. Whilst acknowledging that it is important to avoid distracting housing associations from this task, Fahey and Watson (1995) felt they should be allowed to operate in the private rental market, providing a wide range of tenure options and catering for both low- and middle-income households. It was argued that freeing housing associations from a tight focus on the extremely deprived would broaden the range of housing options available to both private-sector and local-authority tenants, reduce tendencies towards residualisation in the voluntary sector by increasing social mix and introduce a group of ‘landlords with conscience’ into the private-rental sector. In order to achieve this, harmonisation of the three different systems of rental subsidy provided for the main forms of tenure for low-income households would be necessary: the differential rents system for public-rented housing, the rental subsidy for voluntary housing and the rental supplement provided under the Supplementary Welfare Allowance Scheme for private-rented housing (Fahey and Watson, 1995).

Finally, the second Bacon Report (1999) expressed support for an expanded role for the voluntary-housing sector. It was recommended that the DOELG, in partnership with the voluntary-housing sector, should examine the support needs of the sector with a view to increasing output. Although Bacon’s (1999, 67) main objective was "...to seek to harness the energy, imagination and commitment of voluntary agencies concerned with developing
innovative housing solutions for socially disadvantaged sectors”, an examination of the possibility of housing associations providing dwellings for owner-occupation was recommended, echoing Fahey and Watson’s (1995) call for the broadening of the socio-economic groups for which the voluntary sector caters.

Corresponding pressure for an expanded role in meeting housing needs and the development of alternative forms of tenure has also emanated from the voluntary and co-operative housing sectors. Since the establishment of the Irish Council for Social Housing (ICSH) in 1982, and the National Association of Building Co-operatives (NABCo) in 1973, the representative bodies have lobbied successive governments for reforms to the funding system to allow housing associations to play a more prominent role in meeting housing needs (I.C.S.H, 1983-2004). In recent years, the ICSH (1999b) has advocated the introduction of an equity sharing or co-ownership model of provision, in particular. It remains to be seen whether the various recommendations from policy analysts and housing associations will be translated into policy.

### 2.4 BARRIERS TO EXPANSION AND DIVERSIFICATION

Several reasons have been identified for the failure of the voluntary-housing sector to expand and diversify its activities to the extent envisaged under the National Development Plan, 1999-2006 (Government of Ireland, 1999), including the availability of seed funding, land, capital funding, revenue funding and local-authority assistance.

#### 2.4.1 Seed Funding

According to the ICSH (1999b), arrangements under the current funding regime are inadequate to cover the overhead and staffing costs associated with the substantially increased building programmes envisaged under the National Development Plan, 2000-2006 (Government of Ireland, 1999):

"The current terms, conditions and funding limits per dwelling in the Capital scheme/s do not provide the financial resources for housing associations to pay for the key staffing and other overhead costs required to operate significantly larger housing development programmes at the level required to expand output to 4,000 dwellings per year" (ICSH, 1999b).

The DOEHLG makes ad hoc grants towards the administrative and general expenses of some housing organisations, spending €1,347,000 for this purpose in 2004. The number of
organisations in receipt of these grants has increased in recent years, from eleven in 2000 to twenty in 2004. The ICSH, NABCo and Threshold are included among these organisations but housing associations account for the majority. However, in the context of the large number of ‘approved bodies’ in existence, which exceeds 473, very few associations benefit from these grants-in-aid (www.environ.ie, accessed 10/09/04).

Housing associations specialising in catering for low-income families have three main sources of income other than capital funding, comprising a 1.5% development fee for each housing project, rents and the management and maintenance allowance. New associations face considerable difficulties in accessing funds, as the receipt of rents and the management and maintenance allowance depends on having a housing stock, while the receipt of development fees depends on having a rolling development programme. The lack of any assets to offer as security on a loan precludes borrowing money. According to Brooke (2001), new housing associations are unlikely to receive any income for up to three years. Staff cannot be employed until enough dwellings have been completed to generate sufficient income to pay them, forcing new associations to rely largely on voluntary labour in the early days. This lack of seed funding may have prevented the emergence of more housing associations like Respond! and Clúid, with substantial development programmes operating on a regional or national scale.

2.4.2 Access to Land

Accessing land for development has proved an intractable problem for housing associations, particularly since the onset of the housing affordability crisis in the 1990s. While no legal obstacles exist to prevent housing associations from purchasing land on the open market, they do face considerable financial barriers. It is currently difficult for housing associations to borrow from private financial institutions, making it hard to purchase land on the open market. However, the forthcoming Housing Finance Agency Bill will give the HFA a new power to lend to housing associations, which may ease this problem, particularly for larger associations (Brooke, 2001). Alternative sources of land include the local authorities, religious institutions and, increasingly, private developers.

For many years, the local authorities have been a major source of land for voluntary housing, with the provision of sites at low or nominal prices under the Subsidised Sites Scheme. The importance of this source of land to the expansion of the voluntary-housing
sector has been recognised by the DOE, which has exorted the local authorities to use land as a catalyst to increased housing-association activity:

"Whenever possible, the provision of sites / buildings by housing authorities to approved bodies as a means of assisting the development of new projects to address particular needs should be considered, and is a key way of promoting activity and developing a partnership approach in this sector" (DOE, 1992, 1).

However, less land has been made available under this scheme in recent years. The local authorities are also expected to increase their output under the National Development Plan, 2000-2006 (Government of Ireland, 1999), which has led them to examine their own future land requirements and allocate their finite land resources accordingly (Brooke, 2001). The ICSH has called for greater strategic planning for the resourcing of the voluntary-housing sector on the part of the local authorities:

"Local authorities should be asked to prepare social housing building programmes with a clear indication of what dimension of their programmes includes the provision of dwellings by approved non-profit/voluntary and co-operative housing associations. The aim should be to ensure that wherever feasible a minimum of 30% to 50% of the sites available to local authorities for social housing are prioritised for allocation to housing associations" (ICSH, 1999b).

Religious institutions have occasionally donated, or sold at a low price, buildings or land for social housing. For example, one large association, Clúid, has developed several projects in partnership with the Order of Mercy:

"Religious congregations have been a significant partner to Clúid for many years. The congregations have seen the work of the Association as a way of extending their own work and mission. The partnership with the Mercy Order has proved particularly fruitful with projects developed in Kerry, and Galway. Clúid sees this relationship producing additional units in many areas of the country in the years to come" (www.cluid.ie).

However, this source of land has not proved as fruitful as the DOEHLG had initially hoped (Brooke, 2001). Religious lands are a finite resource and religious institutions may wish to maximise profits from the sale of their land. Religious institutions generally have ageing populations and the proceeds may be required to fund the care of elderly members. Alternatively, they may be used to fund other charitable work, such as the provision of health or education services (Quinn, 1987).

In recent years, housing associations have increasingly forged partnerships with private developers on ‘design and build’ projects. Associations generally enter into an agreement at an early stage to purchase some or all of the housing units from the developer. This gives housing associations an opportunity to access land in the ownership of developers, while developers have the advantage of drawing-down payments at certain stages in the
development process, thereby reducing risks. ‘Design and build’ projects are likely to increase in importance in future years. The provisions of Part V of the Planning and Development Act, 2000, whereby the local authorities may require that up to 20% of new residential developments must be reserved for social or affordable housing, offer an alternative way of accessing land in the ownership of developers. While any agreements between developers and housing associations are subject to the approval of the local authority, Part V has the potential to become an important source of land for the sector (Brooke, 2001).

2.4.3 Capital Funding

In spite of considerable improvement in the terms and conditions of both the CAS and the RSS since 1991, a number of weaknesses in the capital funding regime have hindered the development of new housing projects. Perhaps the most significant problem was that the costs limits applicable under the voluntary-housing funding schemes were not increased regularly enough to keep pace with the rapidly rising land and building prices of the 1990s (Brooke, 2001; ICSH, 1999b). Housing associations utilising the CAS face the further difficulty of raising their contribution of 5% of the capital cost of their projects, as 100% funding under this scheme is only available for the provision of traveller halting sites. Unless a donation of land is forthcoming from a public body or religious institution, a substantial sum must generally be raised, requiring considerable voluntary effort (Brooke, 2001; Brooke and Clayton, forthcoming-2004).

The lack of funding to initiate new housing projects also seems to be hindering the growth of the sector. It is not possible to access funding under either scheme prior to full funding approval being granted. However, a site must be acquired, the project designed and planning permission obtained before funding approval is sought. Even if land is acquired from a local authority or other agency rather than purchased on the open market, substantial professional fees may be incurred. Although site costs, legal fees and design fees can eventually be recouped from the Exchequer, they represent a significant financial burden that the housing association must carry without any guarantee that the project will come to fruition:

"There are...difficulties...in the financing of the start-up costs incurred in bringing projects forward, including the payment of architectural and other technical fees, plus VAT, when due for design, planning permission, costing and contract tendering stages required to initiate house building project" (ICSH, 1999b).
Thus, housing associations without the resources to carry these costs are often forced to rely on the goodwill of professionals to accept delayed payment, which is not a sustainable approach to achieving increased output (ICSH, 1999b).

According to Brooke (2001), the current capital funding regime is too cumbersome, with delays arising from the involvement of too many agencies at each stage of developing a voluntary-housing project. Housing associations do not communicate directly with the DOEHLG regarding funding approval, or the Housing Finance Agency regarding finance; the local authorities deal with these agencies on their behalf. These complicated, indirect paths of communication increase the potential for delays. While Brooke (2001) considered the local authorities' intermediary role to be suitable for small, community-based associations with little experience of developing, he viewed it as inappropriate and a cause of delays with regard to large, professionalised associations with substantial building programmes:

"Local authorities provide a great deal of support and guidance to local community-based housing associations...This aspect of the local authority role may well be entirely appropriate in these circumstances. However, where housing associations have experience of operating the Rental Subsidy Scheme, such a close involvement by local authorities at all stages may well be a hindrance rather than a support" (Brooke, 2001, 21).

The duplication of responsibilities, whereby both the local authorities and the DOEHLG are responsible for scrutinising applications for funding approval and monitoring the governance and finances of housing associations, was seen as a burden on the local authorities' over-stretched resources and a further source of delays. Local-authority practice varies widely, rendering scrutiny at local level futile:

"Some local authorities exercise very detailed scrutiny, passing drawings to several departments in the process; others interpret their role differently and simply satisfy themselves that the overall scheme is in line with the informally agreed outline" (Brooke, 2001, 20).

2.4.4 Revenue Funding

All housing associations incur some costs in the day-to-day management and maintenance of their housing stocks and should build up reserves to cover future maintenance requirements, regardless of whether they are catering for low-income families or tenants with special support needs. This is recognised under the LSS, with the provision of a management and maintenance allowance which is payable annually for each housing unit developed under the scheme. This allowance compensates for the fact that the tenants of
LSS units are charged income-related rents rather than economic rents (DOELG, 2002). This system appears to be effective but the LSS housing stock is less than fifteen years old. The adequacy of the management and maintenance allowance will only become clear as the housing stock ages and maintenance requirements increase.

Under the CAS, which is primarily used for the provision of special-needs housing, there is no such provision for management and maintenance costs (DOELG, 2002). Associations utilising this scheme must set economic rents, to cover the costs of managing and maintaining their housing stocks and building up reserves, unless they are able to subsidise their rents by attracting grants, fund-raising or accommodating some more affluent tenants paying higher rents.

Financing the provision of support services poses particular difficulties for special-needs housing providers. Some housing projects catering for formerly homeless people qualify for S.10 payments from the relevant local authority under the Housing Act, 1988. However, there is no properly defined funding scheme to cover the running costs of supported or sheltered housing for any other categories of need, such as the elderly, people with disabilities and victims of domestic violence. Associations catering for tenants other than homeless people have to rely on a combination of volunteer labour, fund-raising and S.65 grants from the health boards to supplement their rental income. These S.65 grants are allocated on an ad hoc, discretionary basis, with practice varying widely between health-board regions. The lack of multi-annual funding programmes from the health boards makes medium- and long-term financial planning for service provision and staffing very difficult for housing associations (Brooke, 2001; ICSH, 1999b). Throughout the 1980s and 1990s, the ICSH (1988a, 1988b, 1999b) has highlighted these problems and lobbied the DOELG for a defined funding scheme for special-needs housing, arguing for:

"...developing an integrated and co-ordinated response to the additional management and staff costs incurred in providing special needs housing for the elderly, for homeless persons and persons with disabilities, in the form of a properly defined scheme of grants." (ICSH, 1999b).

The DOEHLG has finally acknowledged the need for a defined revenue funding scheme to meet the additional running costs arising from the provision of special-needs housing. The Voluntary and Co-operative Housing Unit prepared a proposal for such a funding scheme in 2002 but failed to secure funding from the Department of Finance. However, this issue does seem to have moved onto the DOEHLG's agenda and will probably be raised again at a later date.
2.4.5 The Dual Role of the Local Authorities

The promotion of the voluntary-housing sector seems to have given rise to a somewhat uneasy relationship between the local authorities and housing associations, which may also have hindered the expansion of the sector since 1991. Waiting lists for social housing lengthened on an unprecedented scale as the housing affordability crisis of the 1990s deepened, invoking the traditional response of the resumption of large-scale local-authority building programmes (O'Sullivan, 1998a). Thus, the local authorities found themselves in the unenviable position of being required to enable and facilitate housing associations while simultaneously maintaining their own substantial building programmes, in the context of already stretched resources.

This stands in marked contrast to the situation in the UK, where centralised housing agencies have long been responsible for funding and regulating housing associations, rather than the local authorities. The Housing Corporation was established in 1964 to support housing associations throughout the UK and by the late 1970s it had overtaken the local authorities as the main funder of housing associations. The establishment of separate agencies for Scotland and Wales in the late-1980s, Scottish Homes and Tai Cymru, led to the emergence of distinctive policies and practices in different parts of the UK. At this stage, the Conservative agenda of eroding the local authorities' housing functions began in earnest (Malpass, 2000). As a result of its distinctive political situation, the structures that have emerged in Northern Ireland differ somewhat. A centralised housing agency emerged at an earlier stage in Northern Ireland, with the establishment of the Northern Ireland Housing Executive in 1971. The Housing Executive took over all of the local authorities' housing functions and became a large-scale developer and landlord (Murie, 2001). However, responsibility for enabling and regulating housing associations was retained by the Department of the Environment for Northern Ireland and was not transferred to the Housing Executive until the late 1990s (Mackay and Williamson, 2001). While the introduction of these centralised, single-purpose housing agencies has not been entirely unproblematic, this model has enabled housing associations to develop housing projects largely independently of the local authorities, thereby avoiding any hostility or conflict of interests that may have hampered the expansion of the sector.
In the Republic of Ireland, housing associations remain dependent upon the local authorities for access to funding under the voluntary-housing funding schemes and often also for the provision of sites. While it cannot be denied that the local authorities must work within the framework of the two funding schemes, the co-operation of the local authority in administering the schemes effectively is still essential to the successful completion of a voluntary-housing project. Negotiation between the housing association and the relevant local authority is necessary at each stage of the development process, from identifying a housing need, acquiring a site, designing the housing project, applying for planning permission, applying for funding approval, to drawing down payments during construction. Thus, voluntary-housing projects must be undertaken in partnership with the local authority:

“The development of the sector as envisaged in A Plan for Social Housing is critically dependent on the encouragement and assistance given by authorities to approved bodies, on the response by authorities to individual proposals and their approach to collaboration and dealings with the bodies concerned” (DOE, 1992, 1).

While the ICSH highlighted the key role of the local authorities, it argued that the voluntary-housing sector has been neglected, with the local authorities’ own building programmes tending to take precedence over facilitating housing associations:

“At present, the non-profit / voluntary sector as a whole is quite dependent for its output on the local authorities. The local authorities are, of course, primarily concerned with the fulfilment of their own building programmes...To date, generally, at the managerial policy / strategy decision-making levels in the local authorities the achievement of a consistent and sustained output by the separate housing association sector has not been seen as a priority” (ICSH, 1999b).

The housing strategies produced by the local authorities in 2001, as part of their new strategic role, proved disappointing with regard to their treatment of the voluntary-housing sector. An analysis of the strategies was undertaken by four homeless service providers and showed that the local authorities had generally failed to give proper consideration to enabling housing associations:

“All the strategies contain statements regarding the involvement of the voluntary sector, reflecting central imperatives towards an expanded role for third-sector providers, but... detail is very patchy, usually amounting to an acceptance of the need to work with the sector” (Focus et al., 2002, 66).

Particular competition arises between local authorities and housing associations for access to land. While many associations depend on the local authority to acquire sites, the local authorities themselves often wish to develop any land acquired for the purpose of achieving the targets set out under their own building programmes (ICSH, 1999b; Williamson, 2000; DOELG, 2002):
“In many cases, public land banking is limited, and current multi-annual programmes will exhaust much of what is available. Authorities also have concerns that releasing sites for voluntary providers will reduce their own capacity, given these limits. This can lead to tensions between providers in the public and voluntary sectors, which further constrain provision” (DOELG, 2002, 126).

Housing associations in the Republic of Ireland are under-researched but some of the limited research that has previously been undertaken suggested that local-authority officials have negative perceptions of the voluntary-housing sector, exacerbating the effect of this competition for resources and land. It has been suggested that the local authorities view housing associations with suspicion and perceive them as a threat to their own traditional remit as the primary providers of social housing for low-income families:

“...the Department had to contend with entrenched interests within the local authorities who were reluctant to cede any of the authority that they had accumulated in this area over the previous 60 years” (O’Sullivan, 1998b, 9).

Brooke (2001) also found that housing associations are viewed as unprofessional and unskilled. It was argued that the term ‘voluntary-housing sector’ reinforces this impression of amateurism and should be replaced with ‘housing-association sector’:

“During the course of this research a number of interviewees referred either explicitly or implicitly to housing associations’ perceived inexperience and relatively recent involvement in general needs housing. One local authority official said ‘They have yet to prove themselves’, expressing a view that was shared by others” (Brooke, 2001, 11).

Thus, there is a strong possibility that the growth of the voluntary-housing sector has been inhibited by the competition generated by the local authorities’ dual role as both enablers and direct providers of social housing. The limited evidence available from previous research also suggests that the local authorities have negative perceptions of housing associations as both a threat to their own traditional remit and unprofessional, further inhibiting the growth of the sector.

Some notable exceptions to these observations have emerged. Certain local authorities seem to have embraced central government policy regarding the encouragement of the voluntary-housing sector. Limerick County Council seems to view the small, community-based, predominantly special-needs associations operating in its area as complementary to its own housing programme. In 2000, the county council established a Community Voluntary Housing Forum “...to discuss issues of mutual concern, exchange ideas and experiences and generally promote and represent the interests of this area of activity in the county” (Limerick County Council, 2002). About thirty associations are represented on the forum, while housing officials provide administrative support and the chairperson of the
Housing Strategic Policy Committee is an *ex-officio* member. A publication entitled ‘*A Guide to the Provision of Voluntary Housing in Co. Limerick*’ (Limerick County Council, 2002) has been produced to assist associations.

Dublin City Council is promoting the sector particularly vigorously, with the formation of a dedicated Voluntary Housing Unit to deal with the administration of the funding schemes. In this case, the voluntary-housing sector seems to be viewed as a welcome alternative to direct provision, enabling the city council to withdraw from the expensive business of managing and maintaining social-rented housing. A recent discussion document proposed the large-scale transfer of Dublin City Council’s flats complexes to housing associations (Dublin City Council, 2003). Certain housing associations specialising in the provision of housing for low-income families on a large scale, such as Clúid, have already taken over local-authority estates in several Irish urban areas:

“Clúid has also partnered local authorities on a number of stock transfer initiatives. The motivation for such transfers varies and can be the result of seeking to diversify landlords within a high concentration of social housing. It can also be motivated by the housing authority wishing to bring new ideas and resources into an area where part of an estate has deteriorated to a level where a new start is required. Hand in hand with such redevelopment is extensive community work to rebuild fragmented communities. Clúid has been contracted by a number of local authorities in Dublin, Sligo and Mayo to undertake such work” (www.cluid.ie, accessed 30/08/04).

However, these stock transfers have normally been associated with the regeneration of ‘hard-to-let’ estates and have only taken place on a small scale to date. The wholesale privatisation of Dublin’s social-rented housing stock would represent a major departure in Irish housing policy, mirroring the ‘large scale voluntary transfers’ that have taken place in the UK since the late 1980s (Malpass, 2000).

Dublin City Council’s rationale for proposing large-scale stock transfers included its past failure to manage and maintain certain large housing estates properly and the high cost of sustaining the more intensive approach to estate management adopted in more recent years. As the largest public landlord in the Republic of Ireland, with a rental stock of 26,500 dwellings, Dublin City Council argued that its housing stock was too large to manage effectively. Citing the benefits of promoting social inclusion, increasing social mix, stabilising larger estates, creating a sense of ownership, generating greater interest in community and estate issues and providing capital for the provision of new social housing, it was proposed that the Tenant Purchase Scheme should be extended to tenants of the city council’s 16,500 flats. However, the city council was reluctant to tackle the issue of how to
manage and finance the maintenance of common areas and shared services and the provision of insurance in blocks of flats with mixed populations of renters and tenant-purchasers without the means to pay economic service charges. The proposed solution was to transfer the ownership of entire blocks, together with responsibility for resolving these thorny issues, to housing associations or co-operatives:

"...we think that it is timely, worthwhile, strategic and socially advantageous to consider the transfer of ownership of our current stock in particular our Flat Complexes to a new form of Landlord and that within that tenants would get a right to buy their apartments. The form of Landlord we suggest is either a Housing Association or a Co-operative made up of residents assisted by a Housing Association. We believe that the Housing Association movement is strong enough, well positioned and with a good recent track record to take on such a task" (Dublin City Council, 2004, 5).

It was incorrectly argued that it would be impossible to extend the Tenant Purchase Scheme to include flats complexes without such a transfer of stock to alternative landlords. This discussion document has been met with great consternation by local-authority tenants in Dublin, which views the proposed change in policy as "...an abdication of their responsibility and duty as the statutory housing agency in Dublin" (Tenants First, 2004).

2.4.6 Recent Proposals

The outcome of recent research on obstacles to housing associations achieving substantially increased output has resulted in a call for an overhaul of the funding regime. The abolition of the CAS was proposed, as it was argued that the availability of two funding schemes led to confusion. In its place, it was suggested that housing associations catering for tenants with special needs should take advantage of the 100% capital funding and the management and maintenance allowance available under the LSS. The introduction of an additional 'special housing management grant' would address the perennial problem of securing revenue funding facing special-needs housing providers (Brooke, 2001).

The adoption of a two-strand approach to the funding of housing associations under the remaining funding scheme, the LSS, was proposed, in recognition of the variation in experience and resources within the housing-association sector. Small, community-based associations with limited experience and resources would continue to rely on the local authorities for support and guidance, through the existing system of administering the LSS. However, housing associations with substantial development programmes would be eligible to apply to the DOEHLG for 'authorised developer status'. 'Authorised developers' would be eligible to apply directly to the DOEHLG for funding approval and
then to the Housing Finance Agency (HFA) for a loan using a standard mortgage agreement. The local authorities would adopt a strategic role, with their involvement being limited to issuing a ‘certificate of authorisation’, confirming that a need for the proposed project exists, which neither the local authority or another association is planning to meet. It was emphasised that the implementation of these proposals should be accompanied by the introduction of enhanced regulatory mechanisms, to which the new ‘authorised developers’ would be subject (Brooke, 2001). These proposals have generated considerable debate within the voluntary-housing sector although their implementation seems unlikely at the moment.

2.5 EXPLAINING THE CHANGING ROLE OF HOUSING ASSOCIATIONS: IDEOLOGY OR PRAGMATISM?

Superficially at least, developments in the Republic of Ireland since the early 1990s have mirrored aspects of UK housing policy from the late 1980s onwards. British local authorities have increasingly been forced to adopt an enabling role, while housing associations have moved to the fore in the direct provision of social-rented housing. The origins of this shift in the role of the local authorities may be traced to the Conservatives’ return to power in 1979. This marked the beginning of the Thatcherite agenda of ‘rolling back’ the welfare state in order to reduce public expenditure, which was to continue and intensify for the next eighteen years:

“Thatcherism...was a doctrine which exalted the power of market forces and deplored the interventionism of postwar governments, particularly in terms of their attempts to manage the economy to ensure full employment, and their commitment to tax-funded public expenditure on a range of public services. Thatcherism was characterised by a commitment to ‘rolling back the state’, which took the form of attempts to cut public expenditure as a proportion of gross domestic product, and the privatisation of state-run industries and services. Public expenditure was seen as being at the heart of Britain’s economic difficulties, and local authority services, especially housing, were targeted for cuts” (Malpass, 2000, 171).

In common with many western European countries, a transition from the direct provision of welfare services by the state to a model of welfare pluralism has occurred in the UK. The ‘universal basis’ for the privatisation of welfare services comprised the disempowerment of consumers, the expense of bureaucratic models of service delivery and a belief in the primacy of the market, with a perception of private-sector agencies as being more creative, innovative and responsive than the state bureaucracy (O’Sullivan, 1998a). A split between the purchasers and the providers of welfare services has resulted in non-profit and for-profit agencies coming to the fore in service delivery, while the state has
retained its financing role and developed a new regulatory role. The creation of ‘quasi-markets’ has enabled these independent service providers to compete for consumers, in a similar manner to the private market. In contrast to the private market, services are financed by the state and are normally purchased on the consumer’s behalf by a state-appointed agent (LeGrand and Bartlett, 1993a). The empowerment of the consumers of welfare services is supposed to be achieved through ‘exit’ and ‘voice’ mechanisms. Exit mechanisms enable consumers to choose from a range of providers and to transfer to between agencies if dissatisfied with the quality of service provided. Voice mechanisms are procedures to facilitate consumers in voicing any grievances, either individually or collectively (O’Sullivan, 1998a).

Quasi-markets are purported to improve efficiency, equity, responsiveness and choice in welfare services. However, it has been shown that the achievement of these improvements is dependent on the satisfaction of the following five conditions: the market structure is such that there are many purchasers and many providers of services; both purchasers and providers have access to accurate information about costs and quality; transaction costs are kept to a minimum; providers are motivated at least partly by financial considerations and purchasers by the interests of the consumer and finally; there is no incentive for either providers or purchaser to discriminate in favour of consumers who are less expensive. Satisfying all of these conditions has proved problematic in the context of creating quasi-markets for welfare services (LeGrand and Bartlett, 1993b).

Local government was the primary target of the Conservatives’ early housing reforms. The government of the time was deeply hostile towards the local authorities, as they were responsible for delivering many of the services being cut back and also provided opportunities for the expression of opposing political perspectives. Home ownership was promoted above all other tenures and a programme of privatising the public housing stocks was introduced by extending a right-to-buy to local-authority tenants at substantially discounted prices. The erosion of the local authorities’ housing functions was compounded by the introduction of two further measures. Reform of the subsidy system pushed local-authority rents up, thereby making the public sector less attractive to tenants, while capital funding for new building was slashed. These policies were viewed as a resounding success, with home ownership increasing from 55% of the national stock in 1979 to 65% in 1988, while a corresponding decrease in the public-rented housing stock occurred. Nevertheless, it had become clear by the late 1980s that a considerable proportion of local-authority
tenants were not in a position to avail of the Tenant Purchase Scheme. The question arose of how to address the continuing need for low-cost rented housing, while retaining the agenda of privatisation (Malpass, 2000).

A new round of housing reforms was introduced in 1988, using housing associations as a vehicle to revive interest in private renting, while further undermining the local authorities. A strategic, enabling role for the local authorities was envisaged, to replace their role in direct housing provision; an objective echoed four years later by the Irish government:

"The future role of local authorities will essentially be a strategic one identifying housing need and demands, encouraging innovative methods of provision by other bodies to meet such needs, maximising the use of private finance, and encouraging the new interest in the revival of the independent rented sector. In order to fulfil this strategic role they will have to work closely with housing associations; private landlords; developers; and building societies and other providers of finance" (Great Britain, 1987, 14).

Two new measures designed to promote housing associations, Housing Action Trusts and Tenant’s Choice, were introduced. Housing Action Trusts were to be given the power to take over designated areas of poor quality public housing for the purpose of improvement and subsequent disposal to housing associations, co-operatives and approved private landlords. Tenant’s Choice was a scheme enabling alternative landlords to acquire part of a local-authority’s stock, subject to the agreement of the tenants. Far-reaching changes to the funding regime aimed to increase housing-association output for a given amount of public expenditure and to expose associations to the business risks of new development, thereby encouraging them to keep a tight rein on costs. Housing associations have increasingly been obliged to borrow from private financial institutions, in order to engage in competitive bidding for diminishing levels of public grant aid (Malpass, 2000).

A wholly unintended effect of these reforms was the beginning of large-scale voluntary transfers of local-authority housing stock to housing associations. It was feared that the transfer of local-authority housing stocks to private landlords under the new arrangements would eliminate the supply of social-rented housing, particularly in areas with high levels of home ownership which might attract private investors. As it turned out, neither the Housing Action Trusts nor Tenants’ Choice were very successful, as intense opposition from tenants resulted in extremely low take-up. Nevertheless, large-scale voluntary transfers gathered pace, as it transpired that housing-association provision had considerable advantages. Housing associations were able to raise capital, unconstrained by the restraints on public expenditure to which local authorities were subject. Furthermore, increased rents and reduced spending on maintenance in the local-authority sector combined to galvanise
tenants to opt for the transfer of ownership to purpose-formed housing associations. The return of the Labour Party to power in 1997 did not halt the rise of housing associations, with the continuation of the privatisation agenda under the guise of the ‘third way’ pursued by new Labour:

“...Tony Blair...made it clear that in his view there could be no return to the model of local authorities as comprehensive service providers. The future, as he saw it, lay in local authorities developing stronger and more effective partnerships with a range of non-municipal providers, which suggests that...policy will continue along the route started under the Conservatives” (Malpass, 2000, 197).

By early 1999, more than 352,500 dwellings had been transferred to housing associations by 86 local authorities, while the transfer of a further 140,000 dwellings was planned to take place by the end of 2000. The RSL (registered social landlord) sector remains the smallest tenure category in Britain, accounting for less than 5% of the national housing stock. However, it has been argued that, if this rate of transfers were sustained, housing associations would shortly account for more than half of the social-rented sector, overtaking the local authorities as the second-largest tenure category in Britain (Malpass, 2000).

Despite the apparent similarities between the housing-association sector’s rise to prominence in the UK and the Irish government’s subsequent shift in policy towards encouraging a mainstream role for voluntary housing, these developments took place under very different circumstances. Neither A Plan for Social Housing (DOE, 1991b) or Social Housing - The Way Ahead (DOE, 1995a) state the aims or motivations of the DOE for this policy shift:

“The degree to which this shift represents an ideological conviction on the part of the State to reduce the role of local authorities in social housing provision, or a pragmatic strategy to deal with a looming housing crisis, or elements of both is open to debate” (O’Sullivan, 1998b, 12).

It does not initially seem unreasonable to assume that the same ideological convictions underpin the shift towards promoting non-profit service providers in the housing field as those expounded by the Conservatives in the UK. Centre-right political parties in Ireland enjoy a level of electoral support far exceeding that in any other western European country. The main centre-right parties, Fianna Fáil, Fine Gael and the Progressive Democrats, won an average of almost 80% of the vote in the Dáil elections of the 1980s and 1990s, in contrast to an average of only 40% for other western European countries. Conversely, Ireland has one of the lowest levels of support for left-wing parties. The main left-wing parties, the Labour Party, the Worker’s Party and Democratic Left, now merged with the
Labour Party, received a correspondingly low level of electoral support, with an average of just 14% of the vote in the 1980s and 1990s elections, in contrast to the average of 40% in other western European countries (Mair, 1999).

Nevertheless, the initial promotion of voluntary housing during the 1990s does not appear to have been driven to any great extent by the ideological agenda associated with the broader climate of welfare-state reform in the UK. In spite of the high level of support for parties to the right of the political spectrum, no real efforts have been made to introduce market-based reform of the Irish welfare state. The concepts of ‘exit’ and ‘voice’, hallmarks of the UK reforms, are largely absent from Irish political discourse (O’Sullivan, 1998a). With the exception of the Progressive Democrats, no major political party has strongly advocated the curtailment of public expenditure in any area of welfare service provision (O’Sullivan, 1998a). Research findings suggest “The popular support that social services continue to enjoy has protected them from drastic curtailment” (Peillon, 1995, 3).

Over 90% of Irish survey respondents supported state responsibility for welfare, in relation to the provision of health care, housing and a decent standard of living for the elderly, the unemployed and students. This represented one of the highest levels of support for the welfare state observed in the ten countries surveyed. Furthermore, there appeared to be broad-based support for the welfare state among the Irish population, as it was shown that self-interest, in terms of being recipients of services or working in service delivery, did not account for the high level of support observed (Peillon, 1995).

The absence of an ‘ideologically driven polity’ in the Republic of Ireland has been identified as another important factor in explaining the lack of market-based reform of the welfare state (O’Sullivan, 1998a). In almost every other western European country, clear right / left ideological divisions between the main political parties tended to emerge from social conflicts and struggles between classes and other social groups. In contrast, social structure and class appear to have had little impact on either the party system or political preferences in Ireland. The main political parties emerged from a struggle for independence and civil war and political preferences have generally remained fairly stable over time. Partisanship has tended to be handed down from one generation to the next, with the main parties each retaining a stable core of supporters (Mair, 1999; Chubb, 1992). Research has shown that it is increasingly difficult to identify substantive ideological differences between the major political parties in Ireland. The party system has failed to provide meaningful policy alternatives by European standards, with the adoption of
pragmatic and opportunistic strategies rather than coherent programmes (Mair, 1999). The high levels of support underpinning the Irish welfare state, combined with the lack of an 'ideologically driven polity', led O'Sullivan (1998a) to conclude that:

"The ideological forces that shaped quasi-market reforms in Britain would appear to have no widespread base of support in Ireland. Thus, the rationale for the deliberate extension of the voluntary sector as an alternative to state provision in Britain and in other European Union states is by and large not replicated in Ireland" (O'Sullivan, 1998a, 16).

In addition to the absence of an ideological basis for introducing market-based reforms, the distinctive model of welfare service delivery that has developed in Ireland presents considerable practical barriers to the implementation of any reforms. In contrast to many other western European countries, non-profit agencies, particularly religious institutions, have traditionally assumed responsibility for the delivery of most welfare services, including education and health, with little direct provision by the state. Despite heavy state subsidisation of both capital and revenue costs, full state control of the governance and infrastructure of service delivery is lacking in many fields. Recent years have seen the state retaining its financing role, with a shift towards the increasing regulation of existing service providers, rather than the 're-privatisation' of welfare service delivery:

"There is some evidence to suggest that the State is increasing its role in the direct provision of welfare services while maintaining its traditional financing role. Whereas in the past the host of voluntary agencies that provided welfare services operated with substantial autonomy, recent developments in education and health, in particular, indicate a shift toward a system of regulated autonomy. Thus, rather than witnessing any shift away from state provision of welfare services, as is occurring in other European Welfare States, the reverse is the case in Ireland" (O'Sullivan, 1998a, 17).

Only the local-authority housing and waste collection services have been subject to reforms that could be interpreted as market-based, giving credence to the argument that public ownership and control of a service facilitates the implementation of reforms.

The move towards privatising these services has generally been interpreted as a pragmatic response to a combination of factors. These include a history of poor management of the local authority housing stock resulting in tenant dissatisfaction and increasing social problems in certain 'hard-to-let' local-authority estates with attendant negative media attention; an unprecedented increase in the demand for social housing as a result of the housing affordability crisis of the 1990s; lobbying from the voluntary sector for a greater role in the provision of mainstream social housing; and probably most importantly, the spiralling cost of managing, maintaining and refurbishing local authority housing (McDonagh, 1993; O'Connell, 1999; O'Sullivan, 1998a; O'Sullivan, 1998b).
A Plan for Social Housing was informed by a realisation in the early 1990s that serious problems had arisen with the management of local-authority housing. Local authorities were clearly finding it difficult to address the increasing social problems evident in some 'hard-to-let' local-authority housing estates, which were being highlighted by the media (O'Connell, 1999). Furthermore, it was proving increasing expensive to manage, maintain and refurbish the run-down local-authority housing stock. The imperative to curb spiralling maintenance costs was clearly one of the most important factors leading to the promotion of voluntary housing (McDonagh, 1993; O'Sullivan, 1998a and 1998b; O'Connell, 1999). According to O'Sullivan (1998a), the state utilised housing associations under the guise of partnership in order to meet its statutory responsibilities regarding housing provision in a more cost-effective manner, passing on the perennial management and maintenance problems to the voluntary sector. McDonagh (1993) also viewed the promotion of the voluntary housing sector as an opportunistic attempt to encourage a cheaper form of social housing. Arguing that the legal and financial basis for the development of the sector was inadequate, investment in the voluntary sector was called for, particularly in regulatory mechanisms and training:

"It cannot be treated as a cheap alternative to the direct provision of housing" (McDonagh, 1993, 244).

It was concluded that the motivation for introducing the new voluntary-housing funding schemes in 1991 was a desire to shift the responsibility for providing housing solutions to non-profit housing associations, thereby reducing maintenance costs, rather than any real commitment to promoting quality or diversity in the Irish housing market (McDonagh, 1993).

A further financial incentive for the state to foster housing associations has been identified, in the form of access to charitable funding and volunteer labour. No comparison of the cost-effectiveness of voluntary and statutory agencies engaged in the provision of welfare services in Ireland has been undertaken. However, the limited evidence available suggests that many voluntary agencies, in fields such as education and health, provide quite a high proportion of the cost of delivering a service from their own funds (O'Sullivan, 1998a).

An unprecedented increase in the demand for social housing compounded the problems facing the public-rented sector. Rapid economic growth in the 1990s resulted in a boom in the Irish housing market that was quickly translated into a housing affordability crisis. From mid-1996 onwards house-price inflation and private-sector rents spiralled, resulting
in increased need for social housing. Housing waiting lists have lengthened as the local authorities struggle to meet this increased demand (Downey, 1998).

Continual lobbying for a broader role for housing associations in the provision of social housing has also been taking place in the background. It is clear from the newsletter *Social Housing* (ICSH, 1983-2004) that both the ICSH and NABCo engage in extensive lobbying of the DOEHLG. Direct lobbying includes meetings and pre-budget submissions, while indirect influence is exerted through research, publications and conferences. Although lobbying has focused on a range of specific issues relating to the operation of the funding schemes and the Subsidised Sites Scheme, it has also encompassed the broader issue of promoting an expanded role for the voluntary sector in the provision of mainstream social housing.

Voluntary agencies engaged in providing welfare services continue to constitute a powerful interest group in Ireland (see Boyle, 1995 and O’Sullivan, 1998a). Therefore, it might be expected that the ICSH and NABCo would be successful in lobbying for a greater role for non-profit housing organisations in mainstream social housing provision. However, unlike other areas of welfare service provision, such as education and health, voluntary organisations have only emerged as significant players in the housing field in Ireland in recent years (O’Sullivan, 1998a). Thus, it is unlikely that the voluntary housing sector could have wielded sufficient bargaining power to achieve the objective of enabling voluntary organisations to play a more mainstream role in the provision of social housing solely from lobbying. It is more probable that the voluntary housing sector’s objective was compatible with the DOEHLG’s agenda, which included the satisfaction of statutory obligations to provide an increasing amount of social housing, as well as the reduction of management and maintenance costs (O’Sullivan, 1998a):

“Undoubtedly, elements of the voluntary housing movement, in particular, NABCo and the Irish Council for Social Housing were actively agitating for an increased role for the voluntary sector and more importantly a clearly defined role for the voluntary sector in the area of social housing. Yet the overall impression is not of the State acceding to the demands of the voluntary agencies, rather, a situation where the State made a strategic decision to incorporate voluntary agencies into the provision of social housing to meet the interests of the State. In other words, the State had its own autonomous project, and by utilising voluntary agencies under the guise of partnership, were in a position to meet its statutory obligations in a more cost-efficient manner. Furthermore, it was a strategy whereby the long term problems of housing management and maintenance would be passed to voluntary agencies rather than themselves” (O’Sullivan, 1998a, 24).

Thus, commentators concurred that the promotion of voluntary housing from 1991 represented the beginning of a strategic withdrawal of the state from direct housing
provision. This strategic withdrawal did not initially appear to be ideologically driven but was a pragmatic response to the combination of factors outlined above (O'Sullivan, 1998b; McDonagh, 1993). However, the continuing promotion of voluntary housing in more recent years perhaps reflects the wider climate of nascent welfare-state reform. The privatisation of a range of semi-state agencies providing public utilities, such as transportation, has increasingly been mooted by the Fianna Fáil / Progressive Democrat national government coalition, while some services, including telecommunications, have already been privatised (O'Sullivan, 1998a). With regard to housing, public-private partnerships are coming to the fore in the regeneration of run-down local-authority housing estates, as funding for major refurbishment works is increasingly difficult to obtain from the DOEHLG (Dublin City Council, 2003).

2.6 GOVERNANCE AND ACCOUNTABILITY

Housing associations in the Republic of Ireland are required to comply with few regulations regarding the selection and composition of their governing bodies. The DOEHLG only stipulates that they should comprise not less than five persons, who must be ordinarily resident in the State and not benefiting financially from the association's activities (DOEHLG, 2002). In the context of this weak regulation, together with the absence of any monitoring or research, the promotion of housing associations in recent years has raised questions regarding their governance and accountability:

"To whom will these bodies be answerable? Accountability must be established both in terms of control over the expenditure of public funds and of the issue of the relationship between the housing association and its members" (McDonagh, 1993, 242).

Research on the governance and accountability of housing associations in the UK has highlighted serious concerns with regard to the selection and composition of voluntary management committees (Kearns, 1991; Kearns, 1994; Kearns, 1997; Pawson and Fancy, 2002).

2.6.1 Selection

Housing associations in the UK have been criticised on the grounds of being 'self-perpetuating oligarchies'. Research in the early 1990s found that the two most common routes to membership of the management committees of British housing associations were invitation from the chairperson or another committee member (45%) and invitation from
the director (16%). Just 5% were proposed or elected by a tenants’ group. The remainder were recruited through their employer or another organisation (5%), a speculative offer of services (6%) or another route (9%). Although recruitment to voluntary work through personal contacts is not unusual, it was argued that:

“There is a difference...between recruiting volunteers to raise money or organise events for charities, and appointing people to exercise management powers over considerable sums of public money and to influence and affect people’s lives to a substantial extent through the provision and allocation of housing and the improvement and control of local environments” (Kearns, 1991, 43).

A need for greater public and local influence on the recruitment of management committee members was identified (Kearns, 1991).

### 2.6.2 Governing Body Composition

The composition of a housing association’s management committee has important implications for the effectiveness and reputation of the organisation and also the reassurance of private lending institutions in the mixed-funding environment prevailing in the UK. In this context, the inclusion of people with appropriate expertise seems reasonable. However, management-committee composition also has an important impact on the values and ethos of the association and its legitimacy in the eyes of the public in the areas it serves. In this context, the inclusion of people from a similar range of backgrounds to the population served by the housing association seems appropriate. Kearns (1997) has shown that the imperative to recruit people with suitable skills has tended to take precedence over the establishment of representative management committees in English housing associations. This trend towards increasing ‘professionalisation’ has resulted in the inclusion of individuals employed in the housing, legal and financial fields on most management committees. At the national level, the composition of the governing bodies of English housing associations does not reflect the wider population, as they are:

“...extraordinarily male, well-qualified, and from the non-manual socio-economic groups, in particular from the professional and managerial working population” (Kearns, 1997, 53).

Other socio-economic groups and women have been ‘crowded out’ by male professionals, while disabled people and ethnic minorities are also under-represented (Kearns, 1997).

Interestingly, quite distinctive governance arrangements have been adopted by the 170 housing associations that were established for the purpose of the large-scale voluntary transfer of local-authority housing stock in Britain, which manage more than half of the
housing-association stock. They are characterised by greater than normal representation of both tenants (26%) and councillors (22%) on their management committees. The Housing Corporation had initially tried to limit the influence wielded by the transferring local authority and tenants by restricting the representation of councillors to 20% and stipulating that the majority of committee members must be ‘independent’. Since the relaxation of these regulations in 1998, tenant / councillor majorities have become the norm among newly-established transfer landlords (Pawson and Fancy, 2002).

### 2.6.3 Tenant participation

It may be argued that tenants have a special claim to participating in housing-association governance:

> "...they are primarily affected by the major decisions of a committee, their rents pay for most of the expenditure, and it is their homes which are likely to be put at risk by borrowings for new developments" (Kearns, 1997, 62).

Models of tenant participation range from full control of the association, to representation on the main management committee, regional committees or area committees, to formal consultation with independent tenants’ associations. Some commonly cited advantages of tenant participation are that it enhances accountability, improves the quality of services, ensures that services are appropriate and enables landlords and tenants to discuss problems constructively. Conversely, it has been argued that there is a conflict between tenants’ and housing associations’ interests, which may concern private lending institutions. For example, tenants might be unwilling to support new developments for fear of increased rent or reduced funding for improvements. It has also been argued that tenant representatives are difficult to recruit, less likely to have the necessary expertise and, when not elected by the tenant body, they are ‘tokenistic’, unaccountable and cannot be expected to speak on behalf of all tenants. Even when representatives are elected, the resources and structures necessary to exchange information with other tenants and gain feedback are often not in place (Kearns, 1997).

In practice, the representation of tenants on housing-association management committees in England has been quite limited. Research has shown that only one in eight of all committee members are tenants and that only 40% of associations had recruited any tenants onto their committees. This situation seemed unlikely to change, as only 12% of
management committees were strongly in favour of increasing tenants’ power and influence (Kearns, 1997).

Evidence from the UK has highlighted the ‘dilemmas of composition’ facing the governing bodies of housing associations. If housing associations in the Republic of Ireland are to become large-scale providers of mainstream social housing, it is imperative that they are seen as legitimate in the eyes of the communities they purport to serve. It seems likely that these issues of governance and accountability will move to the fore in Ireland, as the voluntary-housing sector grows, sparking a similar debate.
Plate 2.1a. Holy Ghost Hospital, Waterford (1882)
Founded by King Henry VIII in 1583 to cater for the 'sick and indigent' of Waterford, the Holy Ghost Hospital occupied this building from 1882 to 1981. A modern residential home and cottages to the rear now accommodate this association's elderly tenants, while this late-Victorian property was sold for conversion to private apartments.

Plate 2.1b. Brabazon Square, The Coombe (1882)
One of its largest schemes, the Dublin Artisans' Dwellings Company completed the redevelopment of a four-acre site in the Coombe in 1882. In total 210 one- and two-storey workers' houses were constructed, arranged around two new intersecting streets and four secluded squares.
Plate 2.2a. The Iveagh Buildings, Bull Alley Street (ca. 1905)
Erected by Lord Iveagh at his own expense and later transferred to the
Iveagh Trust, the Iveagh Buildings comprised about 250 flats. The clearance
and redevelopment of insanitary slums in the Bull Alley Street area
formed part of wider improvement works, including the restoration of St.
Patrick's Cathedral and the creation of St. Patrick's Park.

Plate 2.2b. Play Centre, Iveagh Buildings (1915)
The Play Centre opened in 1915 and catered for 900 children, emphasising
practical skills such as sewing, weaving and singing. Refreshments of cocoa
and buns were provided, earning it the name of the 'Beano' or party.
Declining numbers and financial problems led to its closure in 1977. The
building was sold and now houses the Liberties Vocational School.
Figure 2.1. Local-authority completions and acquisitions, 1879-2003*  

* Sources: Department of Local Government (1969-1976, Quarterly Bulletin of Housing Statistics) and DOEHLG (1977-2003, Annual Housing Statistics Bulletins)
Figure 2.2. Housing associations granted ‘approved status’, 1980-2001*

* Source: DOELG (2001) unpublished list of ‘approved bodies’
Figure 2.3. Housing-association completions and acquisitions, 1981-2003*

* Sources: DOE (1991, 33); DOELG (1995, 41) and DOEHLG (1992-2003, Annual Housing Statistics Bulletins)
Figure 2.4. Housing-association completions and acquisitions by funding scheme, 1981-2003*

* Sources: DOE (1991, 33); DOELG (1995, 41) and DOEHLG (1992-2003, Annual Housing Statistics Bulletins)
<table>
<thead>
<tr>
<th>Housing Association</th>
<th>Housing Projects</th>
<th>Housing Units</th>
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<tbody>
<tr>
<td>Carlow Voluntary Housing Association Ltd.</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>Cill Dara Housing Company Ltd.</td>
<td>2</td>
<td>40</td>
</tr>
<tr>
<td>Cill Droichead Housing Association Company Ltd.</td>
<td>1</td>
<td>12</td>
</tr>
<tr>
<td>Community Housing Co-operative Cork Society Ltd.</td>
<td>1</td>
<td>8</td>
</tr>
<tr>
<td>Droichead Nua Housing Association Ltd.</td>
<td>1</td>
<td>18</td>
</tr>
<tr>
<td>Dromcollogher Voluntary Family Housing Association Ltd.</td>
<td>1</td>
<td>7</td>
</tr>
<tr>
<td>Focus Housing Association Ltd.</td>
<td>2</td>
<td>39</td>
</tr>
<tr>
<td>Galway Co-operative Housing Development Society Ltd.</td>
<td>1</td>
<td>32</td>
</tr>
<tr>
<td>Hillside View Voluntary Housing Association Ltd.</td>
<td>1</td>
<td>8</td>
</tr>
<tr>
<td>Kilcock Housing Association Ltd.</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>Loch Lorgan Teo.</td>
<td>1</td>
<td>12</td>
</tr>
<tr>
<td>Monasterevan Housing Association Ltd.</td>
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<td>20</td>
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<tr>
<td>National Association of Building Co-operatives (N.A.B.Co.)</td>
<td>16</td>
<td>447</td>
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<tr>
<td>North and East Housing Association Ltd.</td>
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<td>Rathangan Housing Association Company Ltd.</td>
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<td>14</td>
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<tr>
<td>Respond!</td>
<td>53</td>
<td>1,187</td>
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<tr>
<td>Society of St. Vincent de Paul</td>
<td>1</td>
<td>31</td>
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<tr>
<td>Sonas Housing Association Ltd.</td>
<td>1</td>
<td>19</td>
</tr>
<tr>
<td>Clúid Housing Association</td>
<td>7</td>
<td>199</td>
</tr>
<tr>
<td>The Housing Association for Integrated Living Ltd. (H.A.I.L.)</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>95</strong></td>
<td><strong>2,135</strong></td>
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Table 2.1. Housing associations utilising the Capital Loan and Rental Subsidy Scheme, 1991-1999

* Source: DOELG (2000) unpublished data, ‘RSS draws’ and ‘RSS proven’ files
<table>
<thead>
<tr>
<th>General Funding Limits</th>
<th>1991</th>
<th>1995</th>
<th>1997</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit cost limit:</td>
<td>IR£35,000</td>
<td>IR£41,000</td>
<td>IR£47,000</td>
<td>IR£63,000</td>
<td>IR£63,000</td>
<td>IR£85,000</td>
<td>IR£85,057 (€108,000)</td>
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<tr>
<td>Site cost limit (if acquired directly):</td>
<td>IR£15,000</td>
<td>IR£25,000</td>
<td>IR£25,000</td>
<td>IR£25,000</td>
<td>IR£25,045 (€31,800)</td>
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<tr>
<td>Management and maintenance allowance:</td>
<td>1%</td>
<td>1.5%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>IR£332 (€422) per unit</td>
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<thead>
<tr>
<th>City Funding Limits</th>
<th>1991</th>
<th>1995</th>
<th>1997</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
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<tbody>
<tr>
<td>Unit cost limit:</td>
<td>IR£46,000</td>
<td>IR£53,000</td>
<td>IR£90,000</td>
<td>IR£90,000</td>
<td>IR£110,000</td>
<td>IR£110,023 (€139,700)</td>
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<td>Site cost limit (if acquired directly):</td>
<td>IR£20,000</td>
<td>IR£30,000</td>
<td>IR£30,000</td>
<td>IR£30,006 (€38,100)</td>
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<tr>
<td>Management and maintenance allowance:</td>
<td>1.5%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>IR£441 (€560) per unit</td>
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<tr>
<th>Island Funding Limits</th>
<th>1991</th>
<th>1995</th>
<th>1997</th>
<th>1999</th>
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<th>2002</th>
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<tr>
<td>Unit cost limit:</td>
<td>IR£58,000</td>
<td>IR£75,000</td>
<td>IR£75,000</td>
<td>IR£95,000</td>
<td>IR£95,059 (€120,700)</td>
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<tr>
<td>Site cost limit (if acquired directly):</td>
<td>IR£15,000</td>
<td>IR£25,000</td>
<td>IR£25,000</td>
<td>IR£25,045 (€31,800)</td>
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<tr>
<td>Management and maintenance allowance:</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>IR£332 (€422) per unit</td>
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Table 2.2. Funding limits under the Capital Loan and Subsidy Scheme (LSS)*

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<tr>
<td>For 75% tenants</td>
<td>IR£8,000</td>
<td>IR£8,000</td>
<td>IR£9,000</td>
<td>IR£10,000</td>
<td>IR£12,000</td>
<td>No limit</td>
</tr>
<tr>
<td>For remaining 25% tenants</td>
<td>IR£8,000</td>
<td>IR£10,000</td>
<td>IR£11,000</td>
<td>No limit</td>
<td>No limit</td>
<td>No limit</td>
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Table 2.3. Household income limits under the Capital Loan and Subsidy Scheme (LSS)*

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<tr>
<td>Category I (one- and two-</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>person units)</td>
<td>IRE16,000</td>
<td>IRE20,000</td>
<td>IRE22,000</td>
<td>IRE26,000</td>
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<td>IRE37,000</td>
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<td>IRE53,000</td>
<td>IRE70,000</td>
<td>IRE70,014</td>
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<td>Category II (family-type</td>
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<tr>
<td>persons)</td>
<td>IRE25,000</td>
<td>IRE29,000</td>
<td>IRE33,000</td>
<td>IRE47,000</td>
<td>IRE63,000</td>
<td>IRE63,000</td>
<td>IRE85,000</td>
<td>IRE85,057</td>
<td>(€108,000)</td>
<td>(€108,000)</td>
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<tr>
<td>Category III (halting sites</td>
<td></td>
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<td>directly)</td>
<td>IRE15,000</td>
<td>IRE15,000</td>
<td>IRE25,000</td>
<td>IRE25,000</td>
<td>IRE25,000</td>
<td>IRE25,000</td>
<td>IRE25,000</td>
<td>IRE25,045</td>
<td>(€31,800)</td>
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<td>City Funding Limits</td>
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<td>Category I (one- and two-</td>
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<td>IRE44,000</td>
<td>IRE75,000</td>
<td>IRE75,000</td>
<td>IRE95,000</td>
<td>IRE95,059</td>
<td>(€120,700)</td>
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<td>Category II (family-type</td>
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<td>IRE55,000</td>
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<td>IRE55,000</td>
<td>IRE90,000</td>
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<td>IRE111,023</td>
<td>(€139,700)</td>
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<td>Site Cost Limit (if acquired</td>
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<td></td>
<td>IRE20,000</td>
<td>IRE20,000</td>
<td>IRE30,000</td>
<td>IRE30,000</td>
<td>IRE30,006</td>
<td>(€38,100)</td>
<td></td>
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</tbody>
</table>

Table 2.4. Funding limits under the Capital Assistance Scheme (CAS)
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</thead>
<tbody>
<tr>
<td>Category I (one- and two-person units)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>I£49,000</td>
<td>I£70,000</td>
<td>I£70,000</td>
<td>I£90,000</td>
<td>I£90,019 (€114,300)</td>
</tr>
<tr>
<td>Category II (family-type units for more than three persons)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>I£60,000</td>
<td>I£75,000</td>
<td>I£75,000</td>
<td>I£95,000</td>
<td>I£95,059 (€120,700)</td>
</tr>
<tr>
<td>Category III (halting sites for travellers)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>I£60,000</td>
<td>I£75,000</td>
<td>I£75,000</td>
<td>I£95,000</td>
<td>I£95,059 (€120,700)</td>
</tr>
<tr>
<td>Site Cost Limit (if acquired directly)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>I£15,000</td>
<td>I£15,000</td>
<td>I£25,000</td>
<td>I£25,000</td>
<td>I£25,045 (€31,800)</td>
</tr>
</tbody>
</table>

Table 2.4. Funding limits under the Capital Assistance Scheme (CAS) (continued) *

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td><strong>General</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Capital costs</td>
<td>80%</td>
<td>80%</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
<td>95%</td>
</tr>
<tr>
<td>Site costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td><strong>Homeless</strong></td>
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<td></td>
</tr>
<tr>
<td>Capital costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>95%</td>
</tr>
<tr>
<td>Site costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td><strong>Travellers</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Capital costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>Site costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>100%</td>
</tr>
</tbody>
</table>

Table 2.5. Proportion of capital and site costs funded under the Capital Assistance Scheme (CAS)*

<table>
<thead>
<tr>
<th>Local Authority Direct Nominations</th>
<th>1990</th>
<th>1995</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Households from the local-authority waiting list</td>
<td>0%</td>
<td>25%</td>
<td>25%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Housing Association Nominations in Consultation with the Local Authority</th>
<th>1990</th>
<th>1995</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Households from local-authority waiting list</td>
<td>75%</td>
<td>50%</td>
<td>50%  (may include 25% under Safe Home Programme)</td>
</tr>
<tr>
<td>Other households deemed ‘in need’ by the association</td>
<td>25%</td>
<td>25%</td>
<td>25%</td>
</tr>
</tbody>
</table>

Table 2.6. Allocation of tenancies under the Capital Assistance Scheme (CAS)*

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>National-Lottery Funded Grants for the Provision of Communal Facilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Limit per unit</td>
<td>IR£2,000</td>
<td>IR£2,000</td>
<td>IR£3,000</td>
<td>IR£3,500</td>
<td>IR£4,500</td>
<td>IR£4,567 (€5800)</td>
</tr>
<tr>
<td>Limit per project</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
<td>90%</td>
<td>95%</td>
</tr>
<tr>
<td>(% approved capital costs)</td>
<td></td>
<td></td>
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<tr>
<td>Arrangements for Providing Communal Facilities under the L.S.S.</td>
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</tr>
<tr>
<td>Limit per unit</td>
<td></td>
<td>IR£2,000</td>
<td>IR£3,000</td>
<td>IR£3,500</td>
<td>IR£4,500</td>
<td>IR£4,567 (€5800)</td>
</tr>
<tr>
<td>Limit per project</td>
<td></td>
<td>IR£80,000</td>
<td>IR£100,000</td>
<td></td>
<td></td>
<td>95%</td>
</tr>
<tr>
<td>(Fixed sum or % approved capital costs)</td>
<td></td>
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</tbody>
</table>

Table 2.7. Funding limits for the provision of communal facilities

CHAPTER 3. AIMS AND METHODOLOGY

3.1 AIMS AND OBJECTIVES

Arising from the literature review, the overall aim of this research was to examine the role of the voluntary-housing sector in the housing system of the Republic of Ireland. Within this broad aim, a number of specific objectives were identified:

- To determine the extent of housing-association activity in Ireland, including the size of the voluntary-housing sector in terms of the number of housing units managed by housing associations and the number of active housing associations.
- To investigate the different types of housing associations that are active in Ireland and their origins and aims.
- To investigate public-sector attitudes and working practices regarding the voluntary-housing sector.
- To examine how different types of housing associations operate in the role of housing development.
- To determine whether any barriers to development exist which may prevent the achievement of the targets set by the Government in the National Development Plan, 2000-2006.
- To examine how different types of housing associations operate in the role of housing management.
- To investigate the governance of housing associations.
- To investigate professionalisation and voluntarism within housing associations.

Two further issues were identified as being worthy of further investigation but were outside the scope of this research. The issue of tenant satisfaction with the services provided by housing associations was identified as an important area for examination. A valid criticism of this research is that it focuses on the providers of voluntary housing rather than the consumers, as the in-depth interviews were restricted to the directors and employees of housing associations, without the inclusion of any tenants. In the context of the paucity of information about the sector, a large-scale survey of tenants' experiences and opinions was considered beyond the scope of the current research.
The debate concerning the efficiency of housing associations was also identified as an important area for further research. This debate centres around whether housing associations are more or less efficient in the provision and management of social housing compared to other housing providers. On one hand, it can be argued that housing associations are more efficient because they are single-purpose housing providers, they are less bureaucratic than the local authorities and they can often take advantage of charitable funding and volunteer labour. On the other hand, it can be argued that housing associations are generally less efficient, due to a lack of expertise and experience among voluntary directors. This research provides insights into certain aspects of this debate, such as the governance of housing associations. However, it was beyond the scope of this work to undertake a detailed financial comparison of housing-association and local-authority expenditure on the development and management of social housing.

3.1.1 Definitions

In order to achieve the aims and objectives listed above, it is important to clarify some key concepts:

Social Housing
It has been argued that all housing tenures could be described as 'social housing', as the state has subsidised all sectors of the Irish housing market at various times (O'Sullivan, 1998b). However, Fahey's (1999, 16) definition of social housing is used for the purpose of this thesis:

"Social housing consists of rental accommodation constructed with state subsidy where allocation of dwellings is somehow linked to social need and where the landlord usually has a non-profit status or is a state agency such as a local authority" (Fahey, 1999, 16).

Voluntary, Housing Association, Non-Profit and Third Sector Housing
According to Brooke (2001), the term 'voluntary-housing sector' has connotations of a lack of professionalism, skills and experience and it was argued that the term 'housing-association sector' should be used instead. However, it is still widely referred to as the voluntary-housing sector in the Republic of Ireland, by both central and local government and most of the organisations operating within the sector. 'Non-profit sector' and 'third-sector' are terms which are frequently encountered in the academic literature but are less commonly used by housing practitioners. All of these terms are considered more or less synonymous throughout this thesis, with the proviso that rental housing co-operatives are
included within the meaning of ‘housing association’ but not ‘voluntary-housing association’.

**Special Needs and General Needs Housing**

The term ‘special-needs’ housing refers to accommodation for people with needs in addition to housing need. It is commonly provided for elderly people, people with a physical or learning disability, homeless people and women who are homeless as a result of domestic violence.

In order to sustain their tenancies, the target client groups of special-needs housing may require specially adapted housing or the provision of additional communal facilities and services, such as dining, laundry, counselling or day care. The term ‘general-needs’ housing refers to households that are unable to secure adequate private-sector accommodation from their own resources. These households do not generally require any additional facilities or supports once their housing need has been met. Housing practitioners and researchers in the Republic of Ireland almost always use the term ‘general-needs’ within this context. However, it is acknowledged that the term ‘general-needs’ can have a different meaning, as it can refer to public housing provided for higher-income households that would not generally be considered to be in housing need. For example, in the UK, general-needs housing was built by new town corporations to attract workers to live in the new towns and by many local authorities as part of their housing programmes (Merrett, 1979). For the purpose of this thesis, the term general-needs housing is largely avoided and substituted with a description like ‘housing for low-income households’. However, where it does arise, such as in quotations, it refers to housing for low-income families in housing need.

### 3.1.2 Research Phases

**Phase I: Data Collation and Postal Questionnaire Survey**

Very little background information on the voluntary-housing sector was available, other than anecdotal evidence. Consequently, the first phase of research involved gathering a range of information from various published and unpublished sources, relating to its size and character. This primarily quantitative phase of the research project, had three main objectives:
To determine the extent and character of the voluntary-housing sector in Ireland, in order to understand the context within which housing associations operate.

To gain an understanding of the different types of housing association, in order to facilitate the selection of a representative sample, for the purpose of conducting in-depth interviews with key personnel.

To gather statistical data on some of the characteristics and activities of different types of housing association, in order to provide background information on the voluntary-housing sector.

In order to achieve these objectives, existing quantitative data on housing associations and voluntary-housing projects were drawn together and the gaps in knowledge which needed to be addressed were identified. A postal questionnaire survey of Irish housing associations generated the additional information required. A database of housing associations and voluntary-housing projects was then constructed, to facilitate analysis of the information gathered.

**Phase II: Semi-Structured Interviews**

The second phase of the research project involved gathering more in-depth, primarily qualitative, information about the modes of operation of housing associations as housing developers and housing managers. This phase had three main objectives:

- To gain a detailed understanding of the origins, aims and governance of different types of housing associations and how they operate as developers and managers of social-rented housing.
- To assess the similarities and differences between different types of housing associations, with regard to these factors.
- To determine the attitudes and perspectives of public-sector officials, at both central and local level, towards the voluntary-housing sector.

In order to achieve these objectives, sample selection criteria were formulated and a representative sample of housing associations was selected for further research, based on the information gathered in the first phase of research. In-depth, semi-structured interviews with senior management staff or directors from each association were undertaken. Further interviews were conducted with representatives of the Irish Council for Social Housing and
officials from the Voluntary and Co-operative Housing Unit of the Department of the Environment and Local Government and some local-authority housing departments.

3.2 PHASE I: DATA COLLATION

3.2.1 Assessment of Data

The first step in the process of gathering existing quantitative information on voluntary housing was identifying sources of published and unpublished data. This information was then assessed according to three key criteria. The value of the dataset was assessed by examining its contribution towards achieving the overall aims of the research. The reliability of the dataset was assessed on the basis of the organisation generating the information and the method of data collection. Finally, the accessibility of the data was assessed, on the basis of the availability of datasets in a suitable format for analysis. The willingness of the organisation to release the data was also important, as concerns regarding confidentiality occasionally arose. In each case, the benefits of acquiring the information were weighed against the investment of time involved in obtaining and collating the data. Wherever possible, the most reliable data source was used. However, limited resources were available and in some cases it was necessary to substitute an alternative dataset or make an informed estimate instead. Both published and unpublished sources of data are discussed below. For each dataset, the range of information available is outlined and its usefulness assessed (see Appendix I for a list of the information comprising each dataset).

3.2.2 Published Sources of Quantitative Data

There is a dearth of published statistics relating to voluntary housing. Limited information is available from the *Annual Housing Statistics Bulletins* (Department of Local Government, 1969-1976; DOEHLG, 1977-2003) and the *Census of Population of Ireland* (Department of Industry and Commerce, 1926; CSO, 1946-2002); the two main sources of published housing statistics for the Republic of Ireland.
3.2.3 Annual Housing Statistics

The *Annual Housing Statistics Bulletins* have been available since 1969. As voluntary housing was classified as 'private', official statistics on the sector were not published separately prior to 1990. Since the early 1990s, statistics on housing-association output and public expenditure under the two funding schemes have been published.

3.2.4 Census Statistics

Housing statistics are normally included in the *Census of Population of Ireland* at ten-year intervals, giving the size and tenure breakdown of the national housing stock (Department of Industry and Commerce, 1926 and CSO, 1946, 1961, 1971, 1981, 1991 and 2002). However, the Census was of little value in determining the size of the voluntary-housing stock, as the national stock was only broken down into the owner-occupied, local-authority rented and private-rented sectors.

3.2.5 Unpublished Sources of Quantitative Data

In order to overcome the lack of basic information on housing associations and voluntary-housing projects in official publications, it was necessary to identify the principal sources of unpublished quantitative data. Five main agencies deal with housing associations: the Department of the Environment, Heritage and Local Government (DOEHLG), the Irish Council for Social Housing (ICSH), the Companies Registration Office (CRO) / IRION Database, the National Association of Building Co-operatives (NABCo) and the Registry of Friendly Societies. The unpublished information available from each of these sources is outlined and assessed below.

3.2.6 Department of the Environment, Heritage and Local Government (DOEHLG)

Unfortunately, the statistics on voluntary housing collected by the DOEHLG are not very detailed. Its data collection efforts appear to focus on accounting for funding disbursed under the voluntary housing schemes, with no collection of the types of information necessary to inform any monitoring or evaluation of housing management performance. Difficulties with the lack of detailed and complete datasets were compounded by the fact that responsibility for dealing with housing associations is divided between two different
sections of the DOEHLG, located in different parts of the country. The Voluntary and Co-operative Housing Unit in Dublin is responsible for approving new housing associations and administering the LSS, while the Housing Grants Section in Ballina is responsible for the CAS.

**The ‘Approved Bodies List’**

The DOELG had granted ‘approved status’ to a total of 444 organisations by the end of 2000, enabling these associations to apply for funding under the voluntary-housing schemes. The Approved Bodies List includes the name and contact details of each approved body and the date that approved status was granted. However, in many cases the information was incomplete or out-of-date. In addition, it was suspected that a high proportion of the 444 approved bodies were not actually active in voluntary housing provision. There are several possible explanations for the deceptively large number of approved bodies. Some organisations appeared to have been dissolved, while many of the organisations still in existence appeared not to have retained an active role in the social-housing field, as it was not a pre-requisite of approval that the provision of housing be the primary aim of the organisation. Double-listing also occurred in several cases, as a result of the renaming of a company or the formation of a subsidiary or sister company to take over activities in the housing field. However, the Approved Bodies List provided an essential starting point in the creation of a comprehensive list of all Irish housing associations.

**The ‘RSS Draws’ and ‘RSS Proven’ Lists**

The DOEHLG has collated a limited range of unpublished data relating to the LSS (formerly known as the RSS) since the introduction of this scheme in 1991. For each of the 95 housing projects that had been completed under this scheme by the end of 1999 and the 116 projects that had been approved or were in planning locally at that time, these lists include the location of the housing project, the relevant local authority, the total number of housing units constructed, the year of completion, the total RSS loan amount, the cost per housing unit, the amount of each tranche of funding and the date it was drawn-down.

The RSS Draws List and the RSS Proven List presented difficulties due to the fact that the DOEHLG does not assign unique reference numbers to each housing project and the location is often quite vague, making it difficult to match entries relating to the same project in different spreadsheets. Furthermore, the range of data included in this dataset is limited, with the omission of basic details such as the target group, the communal facilities
provided, the length of stay and the types of housing units. Nevertheless, as a comprehensive list of RSS housing projects, this dataset proved useful.

**CAS Files**

Unfortunately, comparable information was not available for the older CAS, as no computerised records of the housing projects funded under this scheme exist. In order to obtain the same range of data for CAS housing projects, it would have been necessary to extract information from individual files for each project, which were held in Ballina, Co. Mayo. It was estimated that it would take approximately two months to review the files for each of the 364 CAS housing projects completed over the same period, between 1992 and 1999, to extract the relevant information. This was considered too costly and time-consuming, particularly as the returns from two postal questionnaire surveys (discussed below) were available, yielding much of this information.

**DOELG Survey**

In August 2000, the Voluntary and Co-operative Housing Unit of the DOELG undertook a postal questionnaire survey of all of the 444 housing associations with approved status (see Appendix II). This was an attempt to update the Approved Bodies List, which was suspected to be very out-of-date, and to eliminate the organisations which no longer existed or had shed their housing role. It was also an attempt to remedy the bizarre situation of the DOELG not having easy access to even basic details of the housing projects it has funded. The information sought from each approved body included the name and address of the company secretary and up-to-date contact details for the housing association. In addition, the information requested for each completed and planned housing project included the location of the housing project, the funding scheme (CAS or RSS), the total number of units and the year of completion (plus the start year for planned housing projects). Associations with no completed housing projects or firm plans to develop were asked to indicate whether or not they intended to undertake any voluntary housing projects in the future. Thus, the range of information sought was quite limited, with the omission of basic details such as the target group, the provision of communal facilities, the length of stay and the types of housing units provided.

A high response rate from active housing associations may reasonably be assumed, as it was stated in the covering letter that non-response by the deadline of 6th October 2000 "...will be taken as an indication that the body concerned does not want to retain its
approved status” (Voluntary and Co-operative Housing Unit, 2000). By January 2001, about half (223) of the 444 approved bodies surveyed had responded. The Voluntary and Co-operative Housing Unit provided photocopies of all of the DOELG Survey returns, as they had not yet been transcribed. A considerable investment of time was required to enter this survey data. However, it was considered a worthwhile undertaking, as it is the most reliable source of information about CAS housing projects available.

3.2.7 Irish Council for Social Housing (ICSH)

The ICSH is the national representative federation for housing associations. Its functions include information, advice and guidance services, promotion of effective housing management, training and research (ICSH, 1999b). In 1999, a total of 133 housing associations were full members of the ICSH, which is open to all non-profit organisations involved in the provision and management of social housing (ICSH, 1999a).

**ICSH Membership Affiliation Application Forms**

The ICSH collects a limited amount of information about its member via its Membership Affiliation Application Form. In 2000, the information collected included contact details, the organisation's legal status, the number of dwellings managed in various categories of housing need and finally, the names and contact details of the organisation's directors (ICSH, 2000). In 2001, several further pieces of information were requested, including the other services provided for tenants, the number of staff in each employment category and also some limited housing management information including the turnover of tenants and the average number of vacancies (ICSH, 2001).

The ICSH made its mailing list available, with contact details for each of its members. Unfortunately, it was not possible to gain access to any of the additional information collected on the Membership Affiliation Application Forms, due to concerns regarding confidentiality.

3.2.8 Companies Registration Office (CRO) / IRION Database

Housing associations are usually incorporated as companies, with the exception of a minority of charitable trusts and industrial and provident societies. The CRO is “...the central depository of public statutory information on Irish companies” (CRO, 1999, 20).
The responsibilities of the CRO include the incorporation of new companies and the registration of required statutory documents. A total of 336 housing associations was incorporated as companies in early 2001, comprising 71% of all (475) housing associations identified (www.irion.ie, accessed 12/03/01).

**Application for Incorporation of a Company (Form A1) and Memorandum and Articles of Association**

In order to incorporate a company, an application form and the Memorandum and Articles of Association must be registered at the CRO. Relevant information included the company registration number, the type of company, the address of the registered office, the name, address, occupation, date of birth and nationality of each member of the board of directors, together with a list of other directorships and, finally, a classification / description of the general nature of the activity which the company was formed in order to carry out (CRO, 2001a).

**Annual Return (Form B1) and Annual Accounts**

Companies are required to file Annual Returns and Annual Accounts each year. Relevant information from these sources included updated contact details and directors’ details. A range of financial information was also available, such as the indebtedness of the company, the amount and sources of income, the amount and items of expenditure, the annual surplus or deficit and the annual turnover (CRO, 2001b).

Traditionally, the level of compliance by companies with their obligations to file Annual Returns and Annual Accounts has been very poor. However, recent legislative reforms have increased the CRO’s powers of enforcement, which include strike-off and prosecution. This has resulted in dramatic improvements in compliance rates, with the proportion of companies filing a return within a year increasing from 57% in 1999 to 92% in 2000 (CRO, 2001). Therefore, it can be assumed that the CRO records are reasonably accurate and up-to-date.

Almost all of the documents held by the CRO are made available to the public. However, this avenue of research proved prohibitively expensive, in terms of both time and cost, as research must usually be carried out at the CRO public office and search fees apply (CRO, 2001c). Therefore, the IRION database (see below) was used exclusively to access the information collected by the CRO.
IRION (Irish Information Online) Database

Fortunately, some of the information collected by the CRO was available on the IRION web-site (www.irion.ie). The range of information available from the IRION database included any previous company names, the company registration number, the type of company, the status of the company, contact details, the names of company directors, the date of incorporation, the date that the last Annual Return was filed, details of any mortgages and a list of the last fifteen documents filed at the CRO.

The basic IRION database was comprehensive and up-to-date and could be searched free of charge. Obtaining print-outs from the web-site for each housing association proved to be the most time and cost-effective way of accessing some of the information collected by the CRO.

3.2.9 National Association of Building Co-operatives (NABCo) and the Registry of Friendly Societies

Housing co-operatives have a completely different legal structure to voluntary housing associations, in addition to contrasting historic roots. Housing co-operatives are incorporated as Industrial and Provident Societies and regulated by the Registry of Friendly Societies under the Industrial and Provident Societies Acts and Regulations, 1893-1995 (Registrar of Friendly Societies, 2000). In contrast, housing associations are usually incorporated as Companies, which are regulated by the CRO, under the Companies Acts, 1963-1999 (Department of Enterprise, Trade and Employment, 2000). Furthermore, housing co-operatives have a separate representative body, NABCo, although the ICSH does represent all social-rented housing providers, including NABCo and a small number of other housing co-operatives. There is some justification for excluding housing co-operatives from this research, as they probably warrant a dedicated study of their own.

However, several distinct forms of housing co-operative exist, including home ownership building co-operatives, co-ownership co-operatives, mutual ownership co-operatives, tenant rental co-operatives and tenant management co-operatives (Blackwell, 1988). Although the ownership co-operatives were considered outside the scope of this research, it was decided that tenant rental housing co-operatives should be included. While the governance and ethos of the two types of housing association differ, rental housing co-
operatives have much in common with voluntary housing associations, as they operate within the same funding framework.

Little additional quantitative information was sought from either NABCo or the Registry of Friendly Societies, other than a list of NABCo’s constituent district and local rental housing co-operatives. This was because only a relatively small number of rental housing co-operatives exists. Furthermore, nearly all of the information sources outlined above relate to all approved bodies, including the rental housing co-operatives that are taking advantage of the funding schemes.

3.3 PHASE I: POSTAL QUESTIONNAIRE SURVEY

3.3.1 The ‘ROI Housing Associations Survey’

A postal questionnaire survey was undertaken in order to generate more detailed information about housing associations and their projects than was available from the datasets outlined above. For this part of the research, it was decided to collaborate with a research team partly based in Trinity College. This team was undertaking a comparative study, entitled ‘Non-Profit Housing Organisations in Ireland, North and South: Changing Forms and Challenging Futures’ (Mullins et al., 2003), which aimed:

"...to achieve a better understanding of the nature of the non-profit housing sector in Ireland, the context for its growth and the functions that it currently performs and its capacity to respond to a challenging future. Because of the recent impetus to growth in this sector, the study places a particular emphasis on change and the impact of change on existing organisations; in particular on their strategies and values" (Mullins et al., 2003, 7).

Funding for this comparative research was provided by the DOELG, the ICSH, the Northern Ireland Housing Executive and the Northern Ireland Federation of Housing Associations. As both research projects involved a postal questionnaire survey of all housing associations, in order to generate additional background information, it was decided to collaborate on designing, refining and administering the questionnaire. However, analyses of the survey results were undertaken separately, as the two research projects had different aims and objectives.

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1 The research team comprised Dr. David Mullins as project leader (Centre for Urban and Regional Studies, University of Birmingham), Ms. Mary Lee Rhodes as researcher for Ireland (Department of Business Studies, University of Dublin) and Dr. Arthur Williamson as researcher for Northern Ireland (Centre for Voluntary Action Studies, University of Ulster).
3.3.2 Questionnaire Design

An appraisal of the range and quality of the information gathered from secondary sources led to the identification of the gaps in the information available. A postal questionnaire survey was designed to generate the additional information required. Due to time constraints, a pilot study was not undertaken. However, the ICSH and NABCo were asked for suggestions and comments on the draft questionnaire, as part of the questionnaire design process. Both organisations felt that, with some minor modifications to wording, their member organisations would be able to understand and complete the questionnaire. All of the suggested amendments were made.

3.3.3 Questionnaire Structure

Due to the scarcity of information on housing associations, from either published or unpublished sources, a wide range of information was sought. The questionnaire comprised five sections relating to organisational origins and purpose, board and staff characteristics, housing stock and services, tenant characteristics and the letting process and financial indicators (see Appendix III). In order to facilitate analysis, most of the questions were structured in a 'closed-ended' fashion.

3.3.4 Mailing List

A total of 474 housing associations was identified in the Republic of Ireland for inclusion in the study. This list of organisations was compiled from four sources: the DOELG's Approved Bodies List, the DOELG’s Survey of Approved Bodies, the ICSH's Mailing List and NABCo's Membership List. Unfortunately, it was impossible to include 27 organisations in the survey. Of these organisations, eleven were omitted from the mailing list because addresses were not available from any of the above sources, while a further sixteen surveys were returned unopened as the organisation no longer existed or the address was incomplete or out of date. Thus, it was only possible to survey 447 organisations (94% of all organisations identified), comprising 440 voluntary housing associations and the seven district housing co-operatives that were established by NABCo.
3.3.5 Survey Response

In January 2001, the survey was sent to the 463 housing associations, whose contact details were known. By early February, 132 organisations had responded to the ‘ROI Housing Associations Survey’, 28% of the 474 housing organisations identified. In order to increase this response rate, the survey was sent out again in mid-February 2001. This time, the mailing was restricted to the 138 organisations which had not responded to the ‘ROI Housing Associations Survey’ but were known to be active as they had responded to the DOELG Survey. A further 65 organisations responded, bringing the total number of organisations responding up to 197, 42% of the total of 474 housing associations identified and 63% of the estimated 313 associations that were active at the end of 2000 (see Figure 3.1). This response rate was considered good, particularly since the list of approved bodies is very out-of-date and it is suspected that a considerable number of these housing associations had either been dissolved or were no longer involved in the housing field.

3.3.6 Survey Response Quality

The quality of survey responses varied considerably (see Table 3.1). A preliminary analysis of the quality of the 197 survey responses showed that 35% of the responses were complete and 49% were complete except for the financial indicators section (22% were new organisations so this section was not applicable, while the remaining 27% were unable or unwilling to provide this information). Only 9% of survey responses had several incomplete sections other than the financial indicators. The remaining 7% of survey respondents returned the survey without completing it because the organisation no longer existed or the questionnaire was not considered relevant to its contemporary activities. Thus, 85% of the 197 organisations responding to the ‘ROI Housing Associations Survey’ were reasonably complete, with the exception of the section on financial indicators.

3.4 PHASE I: SURVEY ANALYSIS

3.4.1 Database Structure

A database of housing associations and voluntary-housing projects was constructed, comprising six tables, which organised the data into roughly the same sections as the questionnaire: organisations, housing developments, board characteristics, staff
characteristics, tenant characteristics and financial indicators. These six constituent tables of the database are linked by the common field of organisation code, a unique number assigned to every housing association identified.

The reasoning behind the creation of several separate tables was to facilitate further research. The information in the organisations table either does not change over time, such as organisational origins, or may be updated such as contact details, as retaining an archive of this type of information serves no useful purpose. Likewise, further housing projects may simply be added to the housing developments table and the status of existing projects updated. However, for the remaining four tables, the board, staff and tenant characteristics tables and the financial indicators table, the information relates to the year 2000 and may change from year to year. If a similar research project was to be undertaken in the future, tables for subsequent years may be added, enabling analysis of change over time. The content of each of the six tables in the database and the quality of the data are outlined below.

3.4.2 Organisations Database Table

The organisations table drew together information from a wide range of sources. It was based on a list of the names and contact details of all of the 474 housing associations identified, which was compiled from the Approved Bodies List, the ICSH Mailing List and the NABCo Membership List. Further information from the DOELG’s Approved Bodies List and Survey of Approved Bodies was included: whether approved status has been granted, the date of approval and whether the organisation responded to the DOELG’s survey. Membership of the representative bodies was included, from the ICSH and NABCo membership lists. A range of information relating to registered companies extracted from the IRION Database was also included in the organisations table. Whether the organisation was listed by IRION was indicated and for those that were, the company’s number, the date of incorporation, the company’s status and the date of the last Annual Report filed with the CRO were also included.

Information about all of the 474 housing associations identified by the study was entered in the fields outlined above. The remainder of the information entered in the database related only to the 197 respondents to the ‘ROI Housing Associations Survey’, which was

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2 Includes ‘ROI Housing Associations Survey’ questions 1, 2a, 2b, 3, 4, 5, 6, 7a, 7b, 14, 21a and 22.
conducted in early 2001. The survey data entered in the organisation table included contact
details, legal status (limited company, limited society, incorporated trust, industrial and
provident society, other), year of establishment, organisational origins (for example,
tenants, councillors, local authority, health board, community organisation, religious
organisation), organisational objectives, an indication of whether further housing
developments were planned for the period 2002 to 2005, the referral route for most tenants
(local authority, own list, tenants, other) and letting policy.

Data Quality
Two main data quality issues arose with the questionnaire data included in the organisation
table. Four respondent organisations (two nursing homes, a women’s refuge and a
psychiatric hospital) returned uncompleted questionnaires, explaining that it did not apply
as they did not consider their organisations to be housing associations. However, these
organisations did fall within the working definition of a housing association so their
responses would have been valid. This misconception may have discouraged further
housing associations from responding. However, the survey response rate was considered
very good so this did not present a major difficulty.

The second problem related to a lack of clarity in the phrasing of the question requesting a
description of the organisation’s ‘letting policy’ with documentation if available. Only four
organisations were able to provide documentation regarding their letting policies. Nine
organisations misunderstood the question and instead supplied a tenancy agreement and
the remainder either left the section blank or made comments that were not useful, usually
relating to the tenancy agreement. Therefore, the information yielded by this question was
not considered useful for inclusion in the analysis.

Data Interpretation
Some additional fields which were included in the organisations table were interpreted
from the survey responses so they must be used with some caution. The ‘settlement size’
field was based on the address of the head office. The name of the townland, village, town
or city where the head office was located was extracted from the address. The population
of the settlement in the 1996 census (CSO, 1996) was determined and the settlement
classified as a ‘city’, ‘town’ or ‘rural’ location in the ‘settlement size’ field, on the basis of
population size. The statutory definition of a city was adopted, which comprised the five
city councils of Dublin, Cork, Limerick, Galway and Waterford. The definition of a town
used by the CSO (1996) was adopted and settlements with populations exceeding 1,500 people were considered towns, while settlements with fewer than 1,500 people were classified as rural. Of course, these classifications were somewhat arbitrary but they were intended simply to give an indication of trends. Head office location was also classified by local authority area and planning region, giving further evidence of spatial distributions.

Organisational aims and objectives were classified according to 'housing function', 'target groups' and 'catchment area'. Housing function was classified as 'housing primary', 'housing secondary' and 'non-housing', on the basis of the statement of aims and, occasionally, the covering letter. 'Housing primary' denoted organisations with housing provision listed as one of their primary aims, while 'housing secondary' denoted organisations whose primary aims lay in other fields of service provision, with a relatively minor focus on housing. 'Non-housing' denoted organisations with no role in housing provision.

The classification of the target client group on the basis of statements of aims was difficult in some cases, when the target group was specified simply as 'needy' or 'poor' without further elaboration. However, in the majority of cases, the target group was clearly stated, such as elderly people, lone parents or people with disabilities, so this classification was considered successful.

Catchment area was classified as 'local', 'county', 'regional', 'national' and 'international', on the basis of the statement of aims, together with the name of the housing association. However, it proved to be less useful than the classifications discussed above, as quite often no catchment area was stated. Again, some caution must be used when using these classifications as they were not asked directly as a survey question but derived from answers to other questions. Therefore, they were somewhat subjective and were intended only as an indicator of trends.

### 3.4.3 Housing Developments Database Table

The housing developments table contained information relating to the location, size (number of bedrooms) and type (houses, flats, hostel bed-spaces, halting sites) of the accommodation managed by each housing association. The same information was included

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1 Includes 'ROI Housing Associations Survey' questions 12, 13, 14 and 15.
for new homes with approved funding planned for construction in 2001 and 2002, along with an indication of whether or not the organisation intended to develop further housing in the period 2002 to 2005. Any additional facilities and services provided by the housing associations at each location were also indicated, such as a park, garden or leisure area, a day centre or community area, a crèche, a laundry, dining facilities or a dining service, health care services, a counselling or welfare advice service and finally, a vocational training or advice service.

**Data Quality**

Two main data quality issues arose in relation to the housing developments table. Many respondents did not fill in the location section. It was originally intended to classify the location of voluntary-housing projects as city, town or rural locations, in a similar way to the classification of head office location. However, this was not possible due to the lack of sufficiently complete and detailed locational information.

The second problem related to questionnaire design. Further categories of accommodation type should have been included, in order to describe non-self-contained accommodation other than hostel bed-spaces, such as nursing homes and women's refuges. For example, one 26-bedroom nursing home indicated that it was a 'greater than 3-bedroom house'. In some cases, this may have led to an under-estimation of the number of units managed by the housing association. However, this problem was not considered very serious as it did not seem to have arisen in many cases.

3.4.4 Board Characteristics Database Table

The board characteristics table contained information about the total number of directors, broken down by gender, age (less than thirty years, thirty to sixty years, greater than sixty years) and occupation (public sector, private sector, religious, voluntary, other). The average length of service of directors and the longest length of service were also included.

**Data Quality**

Respondents did not appear to have any major difficulties with this section and it was completed by almost all of them. The only data quality issue arising was that, in some cases, all of the directors were classified as being employed in the voluntary sector.

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4 Includes 'ROI Housing Associations Survey' questions 8, 9a and 9b.
perhaps referring to their role in the housing association rather than their occupation. This may have produced a slightly inflated figure for the proportion of directors employed in the voluntary sector.

Two more serious issues arose in relation to questionnaire design. The categories selected for the closed-ended questions relating to age and occupation proved less useful at the data analysis stage than anticipated. Only three age categories were given, as it was felt that the respondent may not have access to adequate information to provide a more detailed breakdown. The main issue that this question was designed to investigate was the involvement of older people, as a widely-held perception seemed to exist among housing practitioners and researchers that retired people tend to have more time to devote to voluntary activities and that housing-association boards were often dominated by older directors as a consequence. However, a more detailed breakdown of the age profile of housing-association directors would have proved more useful.

With regard to the occupation of housing-association directors, the respondents were asked to indicate the sector in which each director was employed: public sector, private sector, religious sector, voluntary sector or other occupational status. The rationale for investigating employment by sector was that there seemed to be a common perception that the religious sector was disproportionately represented on housing-association boards. This applied particularly to housing associations originating from religious organisations and those with links with religious organisations through the transfer of institutional lands. It was also considered interesting to investigate whether public-sector employees were involved in the governance of housing associations, in common with some UK housing associations, which were established for the purpose of large-scale stock transfers from the local authorities (Pawson and Fancy, 2002). While the survey questions were pertinent to addressing these issues, it would also have been useful to investigate the type of occupations and class backgrounds of housing-association directors. However, these two limitations of the survey, regarding the age and occupational status of directors, were to a large extent addressed by the in-depth interviews undertaken in the second phase of the research.
3.4.5 Staff Characteristics Database Table

The staff characteristics table contained information about the total number of staff, broken down by type (full-time, FÁS or CES, part-time, volunteer, other employment status), function (housing manager, housing services, non-housing services e.g. meals, other) and qualifications (IPA diploma, UK or Northern Irish housing degree, ICSH courses, other housing qualifications, non-housing qualifications). The estimated number of full-time equivalent staff positions was also included.

Data Quality

Four main data quality issues arose in relation to this section. It appears that some housing associations, which did not have any paid staff or volunteers other than their boards, listed their directors as volunteers, to reflect the unpaid work that they undertake. Care had to be taken when drawing conclusions about the total number of people involved in running housing associations, as this could have produced a slightly inflated number. Particularly with housing associations employing large numbers of staff, many staff members were described as ‘other’ in the staff ‘function’ section. Perhaps the ‘non-housing services (e.g. meals)’ category was misinterpreted and it was assumed that this category excluded welfare or medical services. A small number of respondents entered the number of staff employed by the organisation nationally, or in all areas of the organisation’s work rather than just the staff involved in housing and associated services. Care had to be taken to ensure that the data were not skewed by a few misleadingly high numbers. Finally, respondents appear to have had difficulties in responding to the ‘estimated number of full-time equivalent staff positions’ section, as it was left blank in many cases. This field was not reliable and could be used only as an indication of trends. Overall, most problems were relatively minor and this section did not appear to have presented any major difficulties to respondents.

3.4.6 Tenant Characteristics Database Table

The tenant characteristics table contained information about housing associations’ tenants, in terms of household structure (two-parent families, one-parent families, couple without children, single men, single women, other household structure), support requirements

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5 Includes ‘ROI Housing Associations Survey’ questions 10 and 11.
6 Includes ‘ROI Housing Associations Survey’ questions 20a, 20b.
(homeless, elderly, people with disabilities, victims of violence, other support required, no support required) and economic status (unemployed, part-time, FÁS or CES, full-time, retired, other employment status). The proportion of tenants drawn from the travelling community was also included.

Data Quality
The main issue that arose in relation to the tenant characteristics section related to questionnaire design, which did not ask the total number of tenants. Therefore, the proportions of tenants in various categories was meaningless. However, this difficulty was overcome by deducing the approximate number of tenants from the number of units of different sizes. Although this was problematic, it was considered a relatively satisfactory solution.

3.4.7 Financial Indicators Database Table

Finally, the financial indicators table contained all of the information gathered about the letting process and financial indicators. Lettings information included details of who undertakes repairs (landlord, tenants, outside contractors, other), the cost of repairs, the vacancy and turnover rates and, if applicable, the average time tenants spend on a waiting list for housing-association accommodation. Financial indicators included rental income, rent arrears, non-rental income, private borrowings, salary expenditure and contribution to reserves or sinking funds, the annual surplus or deficit, the gross value of the housing stock and the accumulated depreciation on housing stock.

Data Quality
There did not appear to be any difficulty with most of the lettings information. Responses to the question asking for the ‘total number of lettings in 2000’ had to be disregarded. It was realised that it was unclear whether the respondents would interpret this question as encompassing both re-lettings and new lettings. However, the response rate for the financial indicators section was very poor and there were doubts as to whether the information provided was accurate. Therefore, this section was only suitable for use as an indicator of trends.

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7 Includes ‘ROI Housing Associations Survey’ questions 16, 17, 18a, 18b, 19, 21b, 23a, 23b, 23c, 24, 25, 26, 27, 28a, 28b, 29, 30.
3.5 PHASE II: SEMI-STRUCTURED INTERVIEWS

The second phase of the research involved generating more detailed, primarily qualitative, information about the housing-association sector, to augment and add depth to the statistical data generated in the first phase. In-depth, semi-structured interviews were undertaken with directors or senior management staff of housing associations and also representatives of the ICSH, NABCo and the DOELG. Further interviews and group discussions were undertaken with senior housing practitioners from the local authorities.

3.5.1 Housing Association Sample Selection Criteria

A total of 474 housing associations were identified at the end of 2000, of which it was estimated that 313 were active in the housing field. Thus, it was clearly impractical to interview the total population of housing associations in sufficient depth to gain any meaningful insights. This necessitated the selection of a sample for inclusion in this research. The housing associations included in the sample were selected according to the two key criteria of housing stock size and target client group.

Housing Stock Size

The first sample selection criterion was housing-association size, in terms of the number of housing units under management. Following the quantitative research, it was possible to provide an approximate breakdown of the 313 housing associations that were thought to be active at the end of 2000. It was estimated that there were seven large housing associations with more than 250 housing units under management, fifteen medium-sized housing associations managing between 51 and 250 housing units and 291 small housing associations managing up to fifty units (see Chapter 4).

This very skewed distribution of the voluntary-housing stock between the 313 active housing associations meant that a simple random sample would run the risk of excluding the few large- and medium-sized associations that were in operation. It was clear from anecdotal evidence that public-sector officials, in both the DOELG and the local authorities, and practitioners working within the voluntary-housing sector considered the large housing associations to have very different characteristics to the smaller ones. In addition to this risk of excluding a sub-set of associations that were demonstrably different from other types of housing association, the large associations clearly had a
disproportionate influence on the voluntary-housing sector and its future directions. By the end of 2000, the seven large associations were managing 44% of the total housing-association stock, although they only comprised 2% of the estimated total number of active housing associations (see Chapter 4). For these reasons, it was considered very important to ensure that as many large-and medium-sized associations as possible were included in the sample, in addition to the more numerous small associations.

Target Client Group

The second key criterion for selecting a sample of housing associations for inclusion in the research was the target client group, in terms of whether the association catered for a special-needs group, such as elderly or disabled people, or simply for low-income households not requiring any additional supports in order to sustain their tenancy. A crude breakdown was provided by the RSS Draws and RSS Proven Lists, as housing for low-income families has generally, but not exclusively, been constructed under the LSS since its introduction in 1991. By the end of 1999, just 32 housing associations, about 10% of active housing associations, had either completed projects under the scheme or had projects in planning. A simple random sample of housing associations would run the risk of excluding associations catering for low-income families.

These providers of housing for low-income families were considered to be of growing importance within the voluntary-housing sector. The LSS accounted for 49% of the total completions and acquisitions under the funding schemes in 2002 (DOEHLG, *Annual Housing Statistics, 2002*). For this reason, it was considered important to include as many of these 32 housing associations as possible in the sample, in addition to the vast majority of housing associations which use the CAS. Within these special-needs housing providers, an effort was made to include housing associations catering for a range of different client groups, such as people with mental health difficulties, homeless people and victims of domestic violence, in addition to the more numerous housing associations catering for the elderly and the disabled.

Secondary Sample Selection Criteria

Three further criteria were taken into account during the sample selection process: the age of the housing association and the location of the housing association’s head office, in terms of both location type and geographical distribution. It was considered important to include associations of a range of different ages in the sample, to ensure that they reflected
the range of ages that exist in the general population of housing associations. Many factors which may change considerably over time, not least the funding environment, may have influenced factors like the reasons for the establishment of a housing association and its success.

It was decided that it was important to include housing associations based in different types of location, including cities, towns and rural areas. The type of location could have a considerable impact on an association’s operations, particularly in terms of access to land but also its relationship with the community and the local authority. Furthermore, different processes operate in different types of location, such as rural depopulation and housing shortages, which may also have influenced associations’ activities.

Finally, it was considered important to include housing associations that were located in a range of local-authority areas. Anecdotal evidence suggested a marked variation between the various local authorities in the way that housing associations were treated. It was not practical to interview associations from each of the local-authority areas. However, it was possible to ensure that at least one housing association from each of the eight planning regions was represented in the sample, in order to achieve a relatively good geographical distribution.

3.5.2 Characteristics of the Participant Housing Associations

In summary, it was decided to select a stratified sample of housing associations to be included in the research, to ensure the representation of two important but numerically small sub-sets: large- and medium-sized associations and providers of housing for low-income households with no additional support needs. As few associations fit into either of these categories, it was decided to interview as many of these organisations as possible and to sample the remainder, namely small associations utilising the CAS, which is primarily used for the provision of special-needs housing. It was also decided that special attention should be paid to achieving a mix of ages and locational types, together with a good geographical distribution during the sample selection process, to ensure representativeness.

Full contact details were available for all seven of the large associations and eight of the estimated fifteen medium-sized associations. These associations were all contacted by telephone and six of the large- and seven of the medium-sized associations agreed to
participate in the research. Regarding the representation of associations that were engaged in the provision of housing for low-income families, a total of 32 associations appeared on the RSS Lists, of which seven had already been contacted as they fell under the large or medium-sized category and a further two subsequently proved to have ceased trading. Of the remaining 23 associations, telephone numbers were available for eleven. These associations were all contacted and they all agreed to participate. Letters were sent to the twelve remaining associations, for which only addresses were available, requesting that they fill-in and return a form indicating whether or not they would be prepared to participate in the research (see Appendix IV). Four associations returned the forms, one did not wish to take part as it had not yet commenced trading but three did agree to participate, including one further medium-sized association.

A total of thirty in-depth interviews were undertaken with representatives of thirty housing associations. However, it was not always the case that each interviewee spoke about a different association. In the case of two of the large associations, several representatives of the same organisation were interviewed. This was considered advantageous because many people were involved in some of the large associations, with knowledge of different areas of the organisation’s operations. For example, in relation to one large association, the CEO focused primarily on the development process (LHA2a), a director discussed strategic planning and future directions (LHA2b), while a community development director was able to give detailed insights into housing management (LHA2c). In relation to the second large association, the founder and CEO discussed the origins, development and future directions of the organisation (LHA3a), while the manager of a regional office focussed more on housing development and management issues (LHA3b).

Furthermore, one medium-sized and two small associations possessed ‘sister’ associations. These sister associations were established by the original housing association, generally for financial and administrative reasons, for the purpose of developing further housing projects. In each of these three cases, the interviewees were able to discuss both associations (MHA4, SHA5 and SHA9).

It was decided not to interview an additional sample of small associations that were engaged in the provision of housing for client groups with special needs under the Capital Assistance Scheme, as a number of this type of association happened to have already been included. These respondents were either ‘sisters’ of associations already included in the
sample or they were included on the RSS Lists but had never completed any projects under the scheme, as the DOEHLG adds proposed projects to the list as soon as they are mooted locally.

The characteristics of the housing associations that participated in the research, according to housing stock size (see Figure 3.2), age (see Figure 3.3), target client group, head office, location type and planning region, are shown in Appendix V. In-depth interviews were undertaken with representatives of six associations with large housing stocks which were designated interviews LHA1 to LHA6, eight medium-sized associations which were designated MHA1 to MHA8 and thirteen small associations which were designated SHA1 to SHA13. An additional three sister associations, all small, were designated MHA4b, SHA5b and SHA9b, bringing the total to thirty (see Table 3.2). Large- and medium-sized associations comprised a considerably higher proportion of the sample than the estimated proportion in the population of active housing associations. However, this was to be expected as it had been decided to try to include as many of these associations as possible because they account for a disproportionate amount of voluntary-housing completions, particularly in relation to family-type housing.

The second key sample selection criterion was the target client group, in terms of whether the housing association was engaged in housing special-needs groups, such as elderly people, or low-income households not requiring any additional support services. The associations that participated in the interviews comprised eight which were engaged solely in the provision of family-type housing, seven which were engaged solely in the provision of housing for client groups with special needs and five which provided a mix of family-type and special-needs housing, as shown in Table 3.3. The proportions of the general population of active housing associations falling under each of these categories were not known. However, it was known that less than thirty associations had ever used the LSS for the provision of family-type housing, by the end of 1999. Thus, the inclusion of fifteen associations that were engaged in providing at least some housing for low-income households was considered a good representation.

Furthermore, it was felt that a fairly good representation of the various special-needs client groups was achieved in the sample of housing associations. The special needs client groups included elderly people (sixteen), homeless people (five), people with learning disabilities
(four), people with mental health issues (three) and women and their children who are homeless as a result of domestic violence (one).

The three further criteria which were also considered important to bear in mind during the sample selection process were the age of the housing association (see Table 3.4), the location of the housing association’s head office (see Table 3.5) and the geographical distribution of the housing associations (see Table 3.6). It was felt that the sample of housing associations selected for interviewing was fairly representative, under these three headings. The proportions achieved in the sample did not seem to deviate to any great degree from the results of the ‘ROI Housing Associations Survey’ under these headings.

3.5.3 Interviews and Group Discussions with Other Agencies

In addition to the thirty in-depth interviews that were undertaken with representatives of housing associations, interviews and group discussions were held with representatives of several other agencies. A series of preliminary interviews were undertaken between late-1999 and late-2000, with the purpose of gathering background information and gaining access to any relevant unpublished information held by that organisation. These six preliminary interviews, which informed the research design, were undertaken with two housing researchers from Threshold and the Combat Poverty Agency (NGO1, NGO2), three senior civil servants from the DOELG (DOELG1, DOELG2) and two representatives of the ICSH (ICSH1, ICSH2).

Five in-depth, semi-structured interviews were then carried out with public-sector officials, as part of the substantive research. Representatives of the DOELG (DOELG3) and the ICSH (ICSH3, ICSH4) were re-interviewed. Further interviews were also undertaken with representatives of two local authorities, a city council (LA1) and a county council (LA2). The purpose of these interviews was to gain an understanding of the experiences of these public-sector organisations of working with housing associations and their attitudes towards them.

These public-sector interviews were supplemented by group discussions with local-authority officials. The five regional networks of senior local-authority housing practitioners were all approached regarding the possibility of holding a group discussion at one of their quarterly meetings (see Appendix VI for letter). Group discussions were held
with two networks of housing practitioners (NHP1 and NHP2). The possibility of holding more group discussions with the other networks was considered but it was felt that two was sufficient as they were successful and generated considerable debate.

3.5.4. Semi-Structured In-Depth Interviews and Group Discussions

Housing Association Interviews

The thirty in-depth interviews with representatives of housing associations took place between mid-2001 and mid-2003, mainly towards the end of this period. Ranging from forty minutes to almost three hours in duration, they were undertaken at the location most convenient to the respondent. If the respondent was a housing-association employee, the interviews all took place at their offices. In cases where the respondent was a housing-association director, the interviews were undertaken at the location most convenient to them, which included respondents’ homes, workplaces, community facilities and local cafés.

The in-depth interviews with representatives of housing associations were semi-structured, following the interview schedule shown in Appendix VII, which was organised into five main sections. The origins, structure and governance of the housing association were discussed. This covered the date it was established and the reasons for it, any key people or organisations that were involved in setting it up, its aims and target client group, its employees, staff and volunteers and finally, governance and strategic planning. The housing stock and communal facilities managed by the association and any additional services provided were ascertained. The association’s approach to housing development was examined. This covered identifying housing needs, raising funding, acquiring sites, selecting design teams and building contractors, unforeseen problems, participation in advice networks and interaction with the relevant local authorities. The association’s approach to housing management was investigated. This included allocating tenancies, setting and collecting rents and dealing with rent arrears, dealing with reported and cyclical maintenance, dealing with anti-social behaviour, tenant participation and revenue funding. Finally, the association’s future directions were discussed, in terms of changes to the housing stock, target group and catchment area and also any barriers to expansion.
Interviews with Other Agencies

The five interviews with representatives of other agencies, the ICSH, the DOELG and two local authorities, took place in mid-2003 and ranged from 45 minutes to over two hours in duration. These interviews all took place at the relevant agency’s office, apart from one with a director of the ICSH, which took place in a café. The ICSH interview covered the origins, structure, governance and functions of the organisation and its position on developments within the voluntary housing sector, such as the promotion of housing associations as large-scale providers of family-type housing, the rise of large housing associations and recent recommendations for greater regulation of the sector. The public-sector interviews covered their functions in relation to voluntary housing, their experiences of dealing with different types of housing associations and their attitudes towards them.

Group Discussions

The two group discussions with local-authority housing officials were held in mid-2003. Both were of short duration, as they were held as part of the relevant regional Networks of Housing Practitioners’ quarterly meetings. The first group discussion had about twelve participants and lasted twenty minutes, while the second group discussion had thirteen participants and lasted 45 minutes. The group discussions had to be kept brief so they focused on four key issues: the degree to which housing associations are proactive in liaising with the local authorities when planning new housing projects; the capacity of housing associations to develop social housing effectively and efficiently; the capacity of housing associations to manage their housing stocks properly and finally, the likelihood of housing associations delivering government targets for the sector (see Appendix VIII for the group discussion schedule which was circulated beforehand).

Interview Technique

All of the in-depth interviews with housing associations and other agencies were semi-structured. Although a list of participating organisations and anonymised interview transcripts were provided to the examiners, they are not included in the thesis, in order to protect the respondents’ anonymity. The usual limitations of qualitative research methods apply to this research. Primarily, the possibility that the ways in which the questions were asked may have biased the results, as the respondents may have varied their answers according to their perception of the interviewer’s stance on the issue. In order to minimise this problem, the danger of bias was borne in mind throughout the interview process and the questions were phrased in as neutral a manner as possible. Efforts were also made to
ask each respondent the same questions in the same order, following the interview schedules. However, this was not always possible, as a result of several factors.

The housing associations interviewed were very diverse so different topics and lines of questioning were relevant to different organisations. A limited number of respondents were not able to discuss all of the topics as the interviews covered a wide range of issues. In some cases, the respondent had not been involved when the housing association was established and did not have much knowledge of its origins. In other cases, the interviewee was very knowledgeable about housing management but knew little about the development process. Time constraints meant that in a few cases, it was not possible to complete the interview so not all of the topics were covered. In general, this was not a serious problem and most of the interviews continued until all of the questions had been covered. While some respondents answered specific questions in a very concise manner and tended not to volunteer unsolicited information, others continued to talk and moved on to topics covered later on the interview schedule. In these cases, it made more sense to follow the respondent's train of thought than to keep bringing him/her back to the interview schedule. It was felt that unprompted talking probably introduced less bias than interrupting with questions for the sake of asking the question in a set order. Furthermore, the topics brought up by the interviewees without prompting often proved to be of more interest than the planned questions. As a consequence of these factors, some of the interviews digressed somewhat from the interview schedule.

**Group Discussions**

The group discussions were slightly less structured than the in-depth interviews, as they aimed to generate debate around four key topics, rather than elicit answers to specific questions. The strategy adopted for the group discussions was to introduce the topic and then allow the participants to debate it uninterrupted as far as possible, only prompting if the discussion stopped. Thus, the danger of introducing bias through the manner in which the questions were asked should have been greatly reduced. However, the group discussions presented different limitations, due to the possibility of overlooking some respondents' opinions if they disagreed with something but did not say so. While time constraints meant that it was not possible to ask everyone individually whether they concurred with each point, it was usually asked whether there were any contrasting opinions or further comments regarding each point before moving on. Time constraints were not as serious a problem as anticipated. The Networks of Housing Practitioners meet
regularly and most of the participants already knew one another so the group dynamic was already established and the respondents seemed happy to participate.

**Note-Taking, Recording and Transcription**

In the case of the majority of interviews, hand-written notes were taken and efforts were made to write down all of the pertinent points word-for-word, omitting information that seemed less relevant. Only five interviews were tape-recorded, as it seemed to affect the respondents’ answers in some of the early interviews. In two cases where employees of large housing associations were being interviewed, it was felt that the tape-recorder was discouraging respondents from speaking freely. They seemed unwilling to elaborate on a number of topics, particularly their relationship with local authorities, anti-social behaviour and evictions. In another interview, the tape recorder seemed to distract the two older respondents from a small housing association. Therefore, it was decided that hand-written notes would suffice. Some detail was lost but this was considered preferable to the difficulties which the tape recorder seemed to cause.

In the case of the recorded interviews, the respondents’ words were transcribed verbatim. The hand-written notes were transcribed shortly after the interview and were considered an accurate record. Grammatical errors were not corrected in either case. The possibility of sending copies of the transcripts to the respondents, to allow them to change or expand on points, was considered. However, it was felt that respondents had already participated in quite lengthy interviews and it would be unreasonable to expect them to examine and comment on transcripts. Furthermore, respondents’ first reactions to a question can sometimes provide better reflections of their real opinions, particularly in relation to research which has policy implications.

### 3.6 RESEARCH ISSUES

With the benefit of hindsight, it is possible to identify several areas where the research methods could have been improved. The issues of collaboration on research projects, questionnaire design and time allocation were problematic in relation to Phase I.
3.6.1 Collaboration With Another Research Project

Several benefits accrued from collaborating with another research project for part of the first phase of the research project, including pooling the ideas and experience of several researchers from different academic fields including business studies, voluntary studies, social policy, housing and geography and also financial assistance with the costs of administering the questionnaire. Most importantly, the DOELG and the ICSH were two of the funders of the comparative research project, guaranteeing access to some of their datasets, which they had previously been unwilling to provide.

However, some problems arose as a result of collaborating on the questionnaire survey. It was difficult to insist on important changes to questionnaire design when in minority and not part of the research team with control of the funding. Furthermore, the two research projects had different aims and some of the background information required from the questionnaire was somewhat different, making it difficult to balance the interests of both projects. For instance, the financial indicators were of marginal importance to this research but they were very important to the comparative study.

3.6.2 Questionnaire Design

Layout

Several problems with the layout of the questionnaire may have led to misunderstanding or non-response to some questions or sections. At four pages, it was quite a long questionnaire. In addition, measures designed to save space combined to make the questionnaire quite difficult to read. Line spacing was single and font size quite small, between seven and twelve point. A further space-saving measure was to list all of the options for some of the closed-ended questions on one line. However, in some cases, it was unclear which tick-boxes and options belong together. The use of tables for some questions appears to have caused further difficulties for some respondents. Information was sought under several headings in columns, within a tabular format. The column headings did not stand out well and the overall layout of the tables was sometimes unclear. Finally, the questions had a complicated numbering system, with some questions having several sub-sections.

8 'ROI Housing Associations Survey' questions 3, 14, 16 and 21a.
9 'ROI Housing Associations Survey' questions 8, 10, 12, 13 and 20a.
The problems with the questionnaire outlined above all stemmed from too much information being sought, producing a questionnaire which was not very user-friendly. In retrospect, the information requested should have been further prioritised and some sections, such as financial indicators, should have been omitted.

**Wording**

Several questions were worded in an ambiguous or unclear manner.\textsuperscript{10} For example, in Question 11, respondents were asked to give the 'Estimated number of full-time equivalent (FTE) staff positions', which was left blank in many cases. Furthermore, the questions were not self-explanatory in four cases and footnotes were used, complicating the questionnaire further.\textsuperscript{11}

**Type of information**

In order to complete the questionnaire fully, access to a range of very detailed information was necessary, including the characteristics of directors, staff and tenants and also up-to-date accounts. Lack of access to information, or unwillingness to provide particular types of information, appeared to have been particularly problematic for the financial indicators section.

**Pilot Survey**

A pilot survey was not undertaken for two reasons: time constraints and the involvement of the ICSH and NABCo staff at the questionnaire design stage. In retrospect, a pilot survey would have been very useful in identifying and changing the questions that respondents found problematic, both in terms of wording and the types of information requested.

### 3.6.3 Time Allocation

Gathering existing unpublished datasets from the various organisations involved in the voluntary-housing sector and reformattting or entering this information into the database proved to be very time-consuming. The data collected in the first phase of the research project was necessary only from the point of view of gaining an understanding of the context within which housing associations operate. As limited time was available, it might

\textsuperscript{10} 'ROI Housing Associations Survey' questions 11, 19, 22 and 28b.

\textsuperscript{11} 'ROI Housing Associations Survey' questions 19, 23a, 27 and Part 5 heading.
have been preferable to move to the second phase of primary data gathering via interviews at an earlier date.
Figure 3.1. Response of Active Housing Associations to 'ROI Housing Associations Survey', 2001
Figure 3.2. Housing Associations Interviewed by Housing Stock Size
Figure 3.3. Housing Associations Interviewed by Year Established
<table>
<thead>
<tr>
<th>Survey Response Quality</th>
<th>Housing Associations</th>
<th>% Respondents (197)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complete:</td>
<td>70</td>
<td>35%</td>
</tr>
<tr>
<td>Complete except Financial Indicators (new organisation):</td>
<td>44</td>
<td>22%</td>
</tr>
<tr>
<td>Complete except Financial Indicators (unavailable):</td>
<td>53</td>
<td>27%</td>
</tr>
<tr>
<td>Incomplete:</td>
<td>17</td>
<td>9%</td>
</tr>
<tr>
<td>Not relevant / organisation gone:</td>
<td>13</td>
<td>7%</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>197</strong></td>
<td><strong>100%</strong></td>
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</table>

Table 3.1. ROI Housing Associations Survey Response Quality
<table>
<thead>
<tr>
<th>Housing Stock</th>
<th>Respondent Housing Associations</th>
<th>Total Active Housing Associations (Estimate)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large (≥250 units)</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>20%</td>
<td>2%</td>
</tr>
<tr>
<td>Medium (51-300 units)</td>
<td>8</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>27%</td>
<td>5%</td>
</tr>
<tr>
<td>Small (&lt;50 units)</td>
<td>16</td>
<td>291</td>
</tr>
<tr>
<td></td>
<td>53%</td>
<td>93%</td>
</tr>
<tr>
<td>Total</td>
<td>30</td>
<td>313</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td>100%</td>
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Table 3.2. Housing Association Size
<table>
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<tr>
<th>Target Client Group</th>
<th>Respondent Housing Associations</th>
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<tr>
<td></td>
<td>Large</td>
</tr>
<tr>
<td>Housing for Low-Income Households</td>
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</tr>
<tr>
<td>Housing for Special Needs Client Groups</td>
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</tr>
<tr>
<td>Mixed</td>
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</tr>
<tr>
<td>Total</td>
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</tr>
</tbody>
</table>

Table 3.3. Target Client Group
<table>
<thead>
<tr>
<th>Year Established</th>
<th>Respondent Housing Associations</th>
<th>R.O.I. Survey Results (2001)</th>
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<tr>
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<td>Medium</td>
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<tr>
<td>Pre-1960</td>
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<td>2</td>
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<tr>
<td>1960-1969</td>
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<tr>
<td>1970-1979</td>
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<td>1</td>
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<tr>
<td>1980-1989</td>
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<td>2</td>
</tr>
<tr>
<td>1990-1999</td>
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<td>2</td>
</tr>
<tr>
<td>Post-2000</td>
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<td>0</td>
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<tr>
<td><strong>Total</strong></td>
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<td>8</td>
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Table 3.4. Year Established
<table>
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<th>Location Type</th>
<th>Respondent Housing Associations</th>
<th>Total Active Housing Associations (Estimate)</th>
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</thead>
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<td></td>
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<td>Medium</td>
</tr>
<tr>
<td>City (5 City Councils)</td>
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<td>7</td>
</tr>
<tr>
<td>Town (&gt;1,500 population)</td>
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<td>1</td>
</tr>
<tr>
<td>Rural (&lt;1,500 population)</td>
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<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>6</td>
<td>8</td>
</tr>
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Table 3.5. Head Office Location Type
<table>
<thead>
<tr>
<th>Planning Region</th>
<th>Respondent Housing Associations</th>
<th>Total Active Housing Associations (Estimate)</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Large</td>
<td>Medium</td>
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<tr>
<td>Border Region</td>
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<td>0</td>
</tr>
<tr>
<td>Dublin Region</td>
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<td>4</td>
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<tr>
<td>Mid-East Region</td>
<td>0</td>
<td>1</td>
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<tr>
<td>Midland Region</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Mid-West Region</td>
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<td>0</td>
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<tr>
<td>South-East Region</td>
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<td>1</td>
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<tr>
<td>South-West Region</td>
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<td>2</td>
</tr>
<tr>
<td>West Region</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>6</td>
<td>8</td>
</tr>
</tbody>
</table>

Figure 3.6. Geographical Distribution
CHAPTER 4. CHARACTERISTICS OF THE VOLUNTARY HOUSING SECTOR

4.1 INTRODUCTION

The dearth of information on voluntary housing in the Republic of Ireland necessitated the generation of a range of basic quantitative information, in order to gain an understanding of the characteristics of the sector and its constituent housing associations. This chapter provides the context for the results of the in-depth interviews, outlining the size of the voluntary-housing sector, housing associations' housing-stock size, legal status, origins, purposes, tenants and services and the geographical distribution of their activities.

4.2 SIZE OF THE VOLUNTARY HOUSING SECTOR

4.2.1 Active Housing Associations

The number of active housing associations in existence in the Republic of Ireland was hitherto unknown. A list of housing associations was compiled from various sources at the beginning of this research, yielding the surprisingly high total of 474 associations in 2000 (see Section 3.3.4). This figure included 444 associations that had been granted 'approved status' by the DOEHLG, while the remaining thirty were identified from the membership records of the ICSH and NABCo. These associations had not yet gained approved status because they were newly established or, in a few cases, because they were Northern Irish housing associations with an interest in expanding their operations to the Republic.

Although 474 housing associations were initially identified, this total seemed deceptively high. The main source of information, the DOEHLG's list of approved bodies, was out-of-date and it was suspected that a considerable number of the organisations listed had either been dissolved or were no longer involved in the housing field. For the purpose of this research, it was estimated that just 313 of the 474 associations identified were still active in 2000, with housing units under management or plans to develop units in the future. This estimate was based on four sources: the membership lists of the two representative bodies, the ICSH and NABCo, together with the responses to two recent surveys, the 'DOELG...
Approved Bodies Survey' of August 1999 and the 'ROI Housing Associations Survey' of January 2000. A total of 265 associations responded to one or both surveys, confirming that they were still active in the housing field. A further 48 associations did not respond to either survey but were up-to-date members of the ICSH or NABCo, giving the estimate of 313 active housing associations by 2000.

Unfortunately, data are not available to provide an accurate up-date of this estimate of active housing associations. However, it is known that a further 26 associations, not included in the estimate, had gained approved status by the end of 2001. On average, 24 associations were approved each year between 1991 and 2001. If it is assumed that approvals continued at the same rate in the following two years, a further 48 associations may be added to the estimate. Thus, it may be assumed that approximately 387 active housing associations were in existence by the end of 2003.

4.2.2 Voluntary Housing Stock

The total number of housing units managed by housing associations was also previously unclear. The first survey of Irish housing associations was published in 1983, when it was estimated that the voluntary-housing stock comprised approximately 1,850 homes by the early 1980s (Geoghegan, 1983). However, this was probably a slight under-estimate, as non-profit residential homes and hostel accommodation were excluded.

A further 13,446 units were completed or acquired by housing associations over the twenty-year period between 1983 and 2003 (DOE, 1991b; DOE, 1995a; DOEHLG, Annual Housing Statistics, 1992-2003). For the purpose of this research, it was estimated that the Irish housing association stock comprised approximately 15,296 homes by the end of 2003, just over 1% of the total housing stock and 16% of the social-rented stock (CSO, 2002, DOEHLG, Annual Housing Statistics, 2003).
4.3 HOUSING ASSOCIATION SIZE

4.3.1 Large, Medium and Small Sized Housing Associations

A widespread perception exists within the voluntary-housing sector that very few housing associations manage large stocks, with the vast majority of associations managing just one or two small housing projects to meet the local community’s needs. However, no firm evidence in support of this assertion has been published since Geoghegan’s (1983) survey of housing associations, twenty years ago. The 2001 ‘ROI Housing Associations Survey’ provided more recent evidence of the distribution of the voluntary-housing stock, largely confirming this perception.

The housing stocks managed by housing associations varied considerably in size, ranging from zero to 1,812 dwellings. Average housing-stock size has remained small, comprising approximately 38 housing units.1 Furthermore, most associations managed fewer than average units. The distribution of the voluntary-housing stock was very skewed, as illustrated by the median housing-stock size of only eight housing units and the modal value of zero. Almost a quarter of the respondents (42 associations) had not yet completed any dwellings. Excluding these associations from the analysis yields the larger average housing-stock size of 49 dwellings. However, the median housing stock size of fourteen dwellings and the joint modal values of one, six and ten show that the distribution of the voluntary-housing stock between associations managing one or more dwellings remains heavily skewed. Thus, many community-based housing associations existed, managing small numbers of homes, while there were very few medium- and large-sized housing associations managing much larger housing stocks.

A combination of the results of the ‘ROI Housing Associations Survey’ and interviews with the relevant statutory and non-profit agencies made it possible to estimate the number of active associations in each housing-stock size category for the Irish voluntary-housing sector as a whole (see Figure 4.1). ‘Large’ associations were defined as those managing more than 250 homes, while ‘medium’-sized associations covered those managing between 51 and 250 homes. Four large- and eight medium-sized associations, the head offices of

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1 179 of the 185 survey respondents provided details of their housing stocks, accounting for a total of 6,733 housing units in about 382 housing projects; 61% of the estimated contemporary voluntary-housing stock of approximately 11,104 units.
which were all located in large urban areas, responded to the ‘ROI Housing Associations Survey’ (see Figure 4.2). The sector was relatively small and it was also very skewed towards smaller organisations so it was possible to ascertain, on the basis of interviews with the DOEHLG, the ICSH and NABCo, how many additional large- and medium-sized housing organisations were in existence. In total, just seven associations, around 2% of the total, were classified as large. However, these seven associations accounted for 44% of the total voluntary-housing stock. The largest association alone managed almost 2,000 homes, about 15% of the voluntary-housing stock.

Medium-sized associations appeared to be similarly limited in number, comprising around 5% of all associations. The threshold of fifty housing units between small- and medium-sized associations was selected on a fairly arbitrary basis. However, it did prove useful in establishing characteristics that appear to be related to housing-stock size, particularly staffing. It appears that the largest housing stock that can be managed on a voluntary basis is approximately fifty housing units, as all of the respondents with more than fifty units employed paid staff.

Finally, ‘small’ housing associations were defined as those managing fewer than fifty homes and the remainder of the estimated 313 housing associations that were active in the Republic of Ireland in 2000 fell into this category. These small associations were certainly the most numerous, comprising an estimated 93% of all housing associations. Therefore, the small associations were further broken-down into the three categories of ‘zero units’, ‘one to ten units’ and ‘eleven to fifty units’. For this purpose, it was assumed that the proportion of associations in each of the categories would be similar to the breakdown of the survey respondents: 24% managing no housing units, 34% managing between one and ten units and 35% managing between eleven and fifty units.

4.3.2 Future Trends

In the context of the government’s objective of greatly increasing the role of the voluntary-housing sector in the provision of social-rented housing in order to achieve the target output of 4,000 completions per year by 2006 (Government of Ireland, 1999), it was considered important to examine housing-association output. Overall, 63% of the respondents to the ‘ROI Housing Associations Survey’ either had approved housing projects underway for completion in 2001 or 2002 or were planning to increase their
housing stocks in the period 2002 to 2005. Although fewer than half of the respondents had housing projects with approved funding that would be coming on-stream in 2001 / 2002, the total stock managed by the 185 survey respondents was set to increase by 61% by the end of 2002, representing substantial growth over a very short period.²

Worryingly, in the context of the government’s plans for major expansion, fewer than half (45%) of the respondents were intending to increase their housing stocks in the medium-term, between 2002 and 2005. A further 20% were certain that they were not going to develop any dwellings within this period.³ This reflected the prevalence of small, community-based associations catering solely for local need, which are unlikely to rise to the government’s challenge to increase output to 4,000 units per year. It is interesting that such a substantial proportion (35%) of associations remained undecided regarding whether or not they would develop any more dwellings. These undecided associations represent a sizeable pool of potential developers, which may respond positively to changes in the funding environment removing the serious barriers to development identified by this research (see Chapter 6).

It is clear that much of the planned increase in the voluntary-housing stock will be delivered by a few large associations, operating on a city-, region- or nation-wide scale. Almost three-quarters of the approved housing units planned for 2001 / 2002 were being developed by the four large survey respondents. These large associations will also be instrumental in diversifying the role of the voluntary-housing sector, to encompass the provision of mainstream social housing for low-income families in addition to special-needs housing. The seven largest housing associations developed 89% of the family-type housing units completed under the LSS between its introduction in 1991 and the end of 1999 (DOEHLG, unpublished data). Substantiating the proposition that any expansion and diversification of the voluntary-housing sector will be mainly attributable to these large associations, the in-depth interviews showed that most of the participating large associations which catered for low-income families had adopted ambitious output targets:

"The organisation needs to grow because we need to develop a critical mass of units in order to be self-sustaining, about 4,000 to 5,000 units. About 1,000 more units would sustain the organisation" (L.H.A.2a).

² 84 of the 185 survey respondents (45%) provided details of housing projects with approved funding planned for 2001 and 2002, reporting a total of 4,081 planned housing units in around 196 housing projects.

³ 172 of the 185 survey respondents (93%) indicated whether or not they were planning to develop more homes between 2002 and 2005.
“...our current objective is to move from having - if you just take the Dublin area - about 700 dwellings on the rental side...to move that up towards 1,400...over the next four to five years” (L.H.A.1).

“We're planning 500 units, refurbishment as well as new-build...We are seeking opportunities for major developments in Dublin or the surrounding counties under CAS, of around 1,000 units in total” (L.H.A.4).

However, the ‘approval’ of new associations by the DOEHLG has been sustained at relatively high levels for most years since 1990 (see Section 2.3.7), indicating that smaller, community-based associations will continue to play an important role at local level, particularly in catering for people with special support needs, even if they do not impact significantly on the voluntary-housing sector’s overall output.

4.4 LEGAL STATUS OF HOUSING ASSOCIATIONS

Most housing associations are incorporated as limited companies, which accounted for 72% of the survey respondents. Thus, most associations are subject to regulation by the Companies Registration Office (CRO) and must comply with company law. Limited societies (15%) and incorporated trusts (9%) accounted for the remainder of the respondents (see Figure 4.3). Many of the older philanthropic housing organisations that responded to the survey were incorporated trusts. None of the survey respondents was registered as an industrial and provident society with the Registry of Friendly Societies, the legal structure normally adopted by housing co-operatives, which was to be expected given the low response of co-operatives to the survey.

4.4.1 Limited Companies

As limited companies, most housing associations are required to file reports and accounts annually and the CRO has the power to strike any company off the register if it is over one year in arrears. Information regarding company status and compliance with filing obligations was obtained from the ‘IRION’ database for 337 of the 474 associations identified at the beginning of this research (www.irion.ie, accessed 12/03/01).

Company Status

Most of the housing associations listed by the IRION database (87.8%) had ‘normal’ status, while almost 9% had been dissolved (see Figure 4.4). Perhaps reflecting the CRO’s
stricter enforcement of companies’ filing obligations in recent years, 3% of the housing associations that were incorporated as limited companies were listed to be struck-off the register, while a further 0.3% had been struck-off but subsequently reinstated. Thus, the strike-off rate for housing associations was relatively low, particularly in comparison to the 16% of all companies that were struck-off the register in 2000 as a result of failing to fulfil their filing obligations (CRO, 2001).

Compliance with Filing Obligations

Stricter enforcement measures adopted by the CRO in recent years have resulted in a dramatic increase in the proportion of companies filing annual returns within a year of the date they were due, from only 57% in 1999 to 92% in 2000 (CRO, 2001). The date of the company’s most recent annual return to the CRO was available for 245 housing associations. In contrast to the improvement in the compliance of Irish companies generally, just 56% of housing associations filed an annual return with the CRO during the twelve months preceding March 2001 (see Figure 4.5). Thus, housing associations had failed to achieve the same improvement as other Irish companies in meeting their legal obligation to file annual returns on time, resulting in financial penalties. This problem is indicative of intractable resource and staffing issues in the voluntary-housing sector and may be at least partly attributed to reliance on volunteers to undertake much of the financial and administrative work of housing associations. However, between one and two years had elapsed since filing the most recent report in the case of 40% of housing associations, showing that they were probably no more than a year in arrears with their filing obligations. A relatively low proportion (4%) of associations were in more serious arrears. Between two and three years had elapsed since filing the most recent report for eight housing associations, while three to four years had elapsed for two organisations. The three organisations which were most in arrears were all listed to be struck-off the register.

4.5 HOUSING ASSOCIATION ORIGINS AND PURPOSES

4.5.1 Year of Establishment

The ‘ROI Housing Associations Survey’ showed that the majority of Irish housing associations are relatively new organisations, with 53% having been established since 1990. This was followed by 13% which were established during the 1980s, 13% in the
1970s and 9% in the 1960s (see Figures 4.6 and 4.7). Although 12% of the respondents were established prior to 1960, surprisingly few housing associations dated from the first half of the twentieth century. Just six of the survey respondents were established in the sixty years between 1900 and 1959, supporting the proposition that the increasingly favourable funding environment from the 1920s channelled most philanthropic effort in the housing field into public utility societies (see Section 2.2.1). The remaining fifteen associations all pre-dated 1900, with eleven dating from the nineteenth century and two from the eighteenth century, while the two oldest associations had sixteenth-century origins.

4.5.2 Housing Association Origins

Most housing associations were established by a single individual or 'parent' organisation, with 73% of the survey respondents indicating a single originator, while the remaining 27% selected multiple originators. The four categories of 'community organisation' (39%), 'other organisation or individual' (28%), 'pre-existing voluntary organisation' (24%) and 'religious organisation' (17%) were by far the most commonly cited originators (see Figure 4.8). These categories also accounted for 98% of the associations citing a single originator rather than a combination of several.

The category of 'pre-existing voluntary organisation' encompassed a range of organisations, the most common being community social services councils, lions clubs, parents and friends of the mentally handicapped associations, mental health associations and religious orders. The 'other organisations or individual' category elicited an equally diverse range of responses, such as the Refugee Agency, groups of parents of children with special needs, students, groups of volunteers formed following public meetings, individual members of religious organisations and local professionals such as doctors and solicitors. Several of the older organisations also selected this category, stating that they were founded through the philanthropic activities of an individual or a bequest.

Four of the associations which responded to the survey had been established by UK housing associations during the 1990s; two by English 'parent associations' and two by Northern Irish parent associations. Three of these new associations were in the very early stages of development. One with a Northern Irish parent was incorporated as a company in 1999 with a Dublin address and was in the process of applying for approved status at the
time of the survey (Organisation 472). Two further associations had gained approved status but did not have any housing units under management at the time of the survey, although both had projects in progress with approved funding. One of these associations had been established in 1995 in Donegal by an association based in Derry, while the other was established in 1998 in Limerick by a London-based association (Organisation 63). The fourth association with a UK parent-association was one of the seven large Irish housing associations (Organisation 420). Established in 1994, with a head office in Dublin, this association had completed 342 housing units by 2000. Both respondents with English parent associations had been established as a result of encouragement from the DOEHLG, with one stating that it was as a result of "Central Government interest in drawing on sixteen years of experience of housing Irish in Britain". The less commonly cited originators, which were almost all selected in conjunction with other originators, were the health boards (6%), the ICSH (5%), politicians (4%), the local authorities (3%), the future tenants (3%), NABCo (1%), and EU Programmes (1%).

Regional development organisations were not indicated by any of the respondents. Thus, councillors and local authorities did not generally adopt a proactive role in the establishment of new associations, with just fifteen respondents citing them as originators. This stood in marked contrast to the situation in the UK, where many local authorities have opted to establish housing associations for the purpose of transferring their housing stocks (see Section 2.6.2). Neither did the future tenants appear to be significant contributors to the establishment of housing associations, which was somewhat surprising in the context of the general promotion of tenant participation in housing policy since 1991.

Equally surprising was the finding that very few survey respondents identified either of the representative bodies, ICSH and NABCo, as significant contributors to their establishment. Both of these organisations explicitly aim to assist in the formation of new housing associations and provide a range of services to this end:

"A primary role of the ICSH federation is to provide accurate information and guidance about the responsibilities involved in the proper formation and management of housing associations..." (www.icsh.ie, accessed 26/03/03).

In total, 38% of the survey respondents were members of either the ICSH or NABCo. Just one of NABCo's seven district co-operative societies responded, explaining why NABCo did not feature greatly as an originator. Although 69 of the ICSH's 133 members responded to the survey, only nine cited the ICSH as an originator. However, the
implication that the ICSH does not play an important role in the initial establishment of housing associations is called into question by the following argument:

"ICSH estime that 90% of new approved bodies in recent years have used the ICSH one-stop legal registration service. In 2001 30 new approved bodies used the ICSH standard memorandum and articles" (Mullins et al., 2003, 69).

Presumably, the respondents considered the organisations or individuals initially interested in establishing the association to be the originators, even if assistance had been sought from the assistance from the ICSH at an early stage.

4.5.3 Housing Association Aims

The statements of organisational aims and objectives provided by the survey respondents varied considerably in detail, as the following examples illustrate:

"To provide social housing throughout Donegal" (Organisation 318).

"To provide sheltered housing for elderly people especially those who have been living in isolation or bad conditions" (Organisation 226).

“(1) Providing accommodation to those who cannot meet this need for themselves (2) Fostering the development of vibrant and viable communities” (Organisation 420).

"To provide the opportunity for community living for people who have an 'intellectual or learning disability' (mental handicap). To promote equality and when possible independent living for people with intellectual or learning disability in our area’ (Organisation 299).

"F_'s mission statement is 'Helping people to find and create a home'. In Housing we aim to achieve this by the provision of good quality low cost housing with appropriate degrees of support to enable people to live as independently as possible and be participative members of society. F_ housing ranges from transitional housing to permanent housing, it will soon include emergency housing” (Organisation 174).

A somewhat subjective classification of these statements of aims, on the basis of function, target client group and catchment area, yielded some interesting insights to the distinctive characteristics of Irish housing associations (see Section 3.4.2).

Primary Function

Most (81%) of the survey respondents included the provision and management of social housing among their primary aims. However, the main aims of a sizeable minority (19%) lay in other fields of service provision or advocacy, with a relatively minor focus on housing (see Figure 4.9). The primary function of most of these organisations was advocacy on behalf of their target client group and / or the provision of a range of services and supports to this group. This category accounted for 14% of the total survey respondents. The remaining survey respondents fell under the following categories:
organisations providing a range of social services in a local community such as community social service councils and parish welfare committees (3%), organisations engaged in community development such as integrated resource development companies (1%) and organisations engaged in religious activities (1%). This inclusion of a range of different kinds of organisations in the voluntary-housing sector stands in marked contrast to the UK, where organisations which do not have the sole aim of housing provision are precluded from registering as housing associations. Balancing the difficulties of a lack of expertise and focus in the housing field, the addition of a housing dimension to the activities of organisations whose primary purposes lie in other fields has several possible benefits. It would facilitate the provision of an integrated service for tenants with special needs, while the organisation’s housing operations could be developed with the aid of the staff and resources attracted by a larger organisation.

Target Client Group

It was clear from the respondents’ statements of organisational aims that most housing associations were concentrating on catering for a single target client group. The remaining 20% aimed to cater for more than one category of need, with a few of these associations catering for up to five target client groups (see Figure 4.10). Only 8% of the respondents mentioned low-income families, while a further 1% mentioned couples saving for house purchase (see Plate 4.1 for examples of housing projects for low-income families). Most respondents mentioned at least one ‘special needs’ target client group in their aims and objectives statements. By far the most commonly cited target client group was elderly people, for whom 63% of the respondents catered. This was the sole category of need met by 46% of the respondents (see Plate 4.2 for examples of group housing schemes for the elderly living independently). The next most common target client group was people with disabilities, which was cited by 22% of the respondents, although whether the organisation catered for people with intellectual or physical disabilities was often not stated. The remaining target client groups were all mentioned by less than 10% of the respondents: homeless people (9%), victims of domestic violence (8%), single-parent families (7%), ‘deprived’ or ‘needy’ people (5%), mentally ill people (3%) and homeless children and youths (2%). There were also several organisations which were the only respondents catering for a very specific target client group, including AIDS sufferers, alcoholics, drug addicts, elderly returning missionaries, refugees, released prisoners, returning emigrants, unemployed ex-servicemen and women.
Catchment Area

The survey respondents were overwhelmingly local in character (70%), aiming to meet the housing and support needs of the local community (see Figure 4.11). Their activities were generally restricted to the local village or town and its environs. A further 21% of the respondents were catering for tenants drawn from a county-wide catchment area but none was operating on a regional scale, catering for several counties. Very few (4%) were operating on a nation-wide scale, while 5% were classified as operating on an international scale, by virtue of having been established by a UK-based housing association.

Overall, analysis of the survey respondents’ statements of organisational aims provided further evidence of the skewed character of the Irish voluntary-housing sector. A large number of small, community-based associations, which are often engaged in a range of activities at the local level, provide housing and support services for tenants with special needs. A limited number of much larger associations with substantial development programmes, sometimes operating on a nation-wide scale, tend to cater for low-income families with no additional support. It is these associations that are expected to deliver the expansion and diversification of the voluntary-housing stock planned by government.

4.6 HOUSING ASSOCIATION TENANTS AND SERVICES

4.6.1 Tenants Accommodated

The characteristics of the tenants housed by the survey respondents showed that most Irish housing associations have continued to operate within the voluntary-housing sector’s traditional niche of special-needs housing. Although housing associations have increasingly been encouraged to provide mainstream social-rented housing for low-income families since the early 1990s, only 17% of the respondents actually accommodated tenants requiring no additional services or supports. Most of the respondents accommodated at least some tenants requiring additional services or supports, including elderly people (62%), people with disabilities (32%), homeless people (22%), victims of domestic violence (12%) and people requiring support for other reasons (9%) (see Figure 4.12). This ‘other’ category included a diverse range of support needs, including people who are HIV positive, refugees and released prisoners. A marked tendency for housing associations to focus on one particular category of housing need existed, with 68% of the
survey respondents drawing all of their tenants from the same category of housing need, while the remaining 32% housed tenants from a range of categories.

The travelling community was one notable section of the population whose housing needs did not appear to be addressed by the housing association sector. Surprisingly, in the context of the large number of specialist associations, none of the survey respondents catered solely for travellers. Nor had any of the respondents provided halting sites or have plans to provide them. Furthermore, only fifteen of the survey respondents (12%), primarily providers of women’s refuges or hostels for homeless people, accommodated some travellers among their tenants.

4.6.2 Size and Type of Accommodation

Size
The Irish voluntary-housing sector’s continuing emphasis on accommodating tenants with special support needs was reflected in the size and type of accommodation provided by the survey respondents (see Figure 4.13). Smaller housing units dominated the voluntary-housing stock, with one-bedroom houses and flats accounting for almost half (48%) of the units managed by the respondents, while two-bedroom units accounted for 24%. In contrast, larger family-type dwellings with three or more bedrooms comprised just 28% of the housing stock. However, the promotion of housing associations as providers of mainstream social-rented housing for low-income families since the introduction of 100% capital funding under the LSS in 1991, does seem to have had an effect on the size of housing units being constructed. The breakdown of the housing units with approved funding that the respondents were planning to develop in 2001 / 2002 showed that fewer one-bedroom units were being developed (37%), with corresponding increases in the numbers of units with two (27%) and three or more (36%) bedrooms being developed.

Type
The voluntary-housing sector’s emphasis on catering for tenants with special needs was also reflected in the type of housing units provided and managed by housing associations. In contrast to the national housing stock, which is dominated by houses (89%) (CSO, 2002), the voluntary-housing stock comprised almost equal proportions of houses (44%) and flats or apartments (40%). Again, the types of housing units being developed by housing associations seem to have been affected by the introduction of the LSS, with
houses accounting for an increasing proportion of the housing stock. Houses comprised 65% of the approved units that the survey respondents were planning to develop in 2001 / 2002, while flats accounted for just 32%.

Finally, a substantial minority of the accommodation provided by the survey respondents (16%) was described as hostel bed-spaces for homeless people, reflecting the sector’s special-needs niche. However, just 3% of the units planned for development in 2001 / 2002 were described as hostel bed-spaces. Rather than a reduction in new-build by the providers of homeless services, this probably represents the changing nature of provision for homeless people, with a move away from emergency shelters, towards transitional and permanent accommodation (see Plate 4.3 for examples of emergency and transitional accommodation for homeless people).

4.6.3 Services

Reflecting the focus of housing associations on the provision of housing for special needs groups, the provision of a range of additional services for tenants is a key characteristic of the voluntary-housing sector in Ireland. A high proportion (82%) of the housing projects managed by the survey respondents had made at least one service available to tenants and many provided several different services (see Figure 4.14). Only 18% of the completed housing projects did not have any services available to their tenants. The most popular services for housing associations to provide appeared to be day centres (43% of housing projects), dining (38%) and laundry facilities (35%). Other services available at some housing projects included a park or garden (27%), counselling (28%), health care (22%), vocational training (20%), home visits (12%), crèche (10%) and social activities (9%). A further 15% of housing association projects had ‘other services’ available to tenants. A wide range of activities were described in this category, including library, chapel, bus, sports equipment, hairdressing, supported employment, therapeutic crafts, home help, cleaning, warden / superintendent / caretaker, respite care, outreach and resettlement services (see Plate 4.4 for examples of sheltered housing for the elderly and Plate 4.5 for examples of communal facilities for elderly people).
4.7 GEOGRAPHICAL DISTRIBUTION OF HOUSING ASSOCIATION ACTIVITIES

4.7.1 Location Type

Head Office

Approximately equal proportions of the 313 active housing associations in the Republic of Ireland were located in city, town and rural locations. Just over one-third of their head offices were located in the five major cities of Dublin, Cork, Limerick, Galway and Waterford (35%), slightly less than one-third was located in towns with populations exceeding 1,500 (30%) and just over one-third in smaller rural settlements (35%) (see Figure 4.15). Notwithstanding the slight over-representation of towns and under-representation of rural settlements, this distribution of housing associations’ head offices between different types of location seems broadly comparable with the general distribution of households living in the Republic of Ireland, of which 38% were living in cities, 22% in towns and 40% in rural areas (CSO, 1996) (see Table 4.1). Thus, although housing associations seemed slightly more likely to emerge in a town than a rural area, the type of location does not appear to have been a major factor influencing the establishment of housing associations.

Completed Housing Projects and Units

Towns with a population exceeding 1,500 persons were the most common type of location for voluntary-housing projects, accounting for 41% of the projects developed by the survey respondents (see Table 4.2). This stood in marked contrast to the 22% of Irish households living in such towns. This was followed by the five major cities with 35% of housing projects, which was comparable to the distribution of households (38%). The remaining 24% of voluntary-housing projects were located in smaller settlements and rural areas, in contrast to 40% of Irish households (CSO, 1996). Perhaps rural areas were the least well served by housing associations because of lower levels of housing need, better local-authority provision or difficulties relating to servicing land.

The size of these voluntary-housing projects varied considerably, ranging from one to 416 housing units, with an average of nineteen dwellings per housing project. However, the

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4 It was possible to classify 313 of the housing projects developed by the survey respondents, comprising 5,804 dwellings, on the basis of location type.
distribution of housing projects of various sizes was not uniform, with a tendency for the larger projects to be located in urban areas. There was a definite bias towards the five major cities, which had the largest average housing-project size of 27 units and accounted for just over half (51%) of the housing units under management. This was followed by towns with 35% of the dwellings and an average project size of sixteen units. Rural settlements remained the least common type of location, accounting for just 14% of the units, with the smallest average housing project size of eleven units. However, the cities may not continue to have a higher concentration of voluntary-housing units in the future, as just 29% of the projects and 40% of the dwellings with approved funding for development in 2001 and 2002 were located in the cities. These decreases probably reflect difficulties in recent years in securing sites in city locations.

4.7.2 Geographical Distribution

As the general population served by housing associations is not evenly distributed, it is useful to consider the geographic distribution of housing-association activities between local-authority areas in relation to the total number of private households in the area, in addition to absolute levels of provision.

Head Office

Marked variation in the absolute distribution of the head offices of the 313 active housing associations in Ireland was evident, ranging from the 51 head offices clustered in Dublin city to the single head offices located in Waterford and Longford. This variation was reflected by the total number of households per housing-association head office in each local-authority area, shown in Figure 4.16. The generally more sparsely populated counties to the west of the country often had higher concentrations of housing associations relative to households (shown in darker green), while the east was more varied. The highest concentrations were found in Limerick city, Waterford city, Kilkenny and Monaghan, with each housing association serving a population of less than 2,000 people. The lowest concentrations were found in Dun Laoghaire-Rathdown, South Dublin, Fingal, Meath, Longford, Donegal, Laois, North Tipperary and Waterford, which all had over 7,000 private households per active housing association.
Completed Dwellings

Examination of the number of households per voluntary-housing dwelling completed or acquired over the ten-year period between 1992 and 2002, shows that the distribution of housing-association development activity differs somewhat from the distribution of head offices (see Figure 4.17). The local-authority areas with the highest levels of provision of voluntary-housing units relative to the number of households (shown in darker brown) included all five major cities, all of the counties of the South-East Region (Wexford, Waterford, Carlow, Kilkenny, South Tipperary) together with the adjoining counties of Kildare, Offaly and Limerick and also Mayo and Sligo in the north-west. In these parts of Ireland, there were up to 129 households for each housing-association dwelling completed. The lowest levels of voluntary-housing provision were found towards the border. In Cavan, there were between 439 and 542 households per voluntary-housing unit completed, while in Monaghan and Westmeath, there were 336 to 438 households per unit.

Housing Need and Local Authority Provision

Substantial variation in the geographic distribution of housing-association formation and development activity clearly exists in the Republic of Ireland. However, the low levels of housing-association activity in parts of the country are not necessarily solely attributable to a failure on the part of the local-authority to promote the voluntary-housing sector. It may be argued that housing associations normally emerge in response to identified needs, which are not being met by other sectors of the housing market. Thus, the distribution of voluntary-housing activity must be considered in the context of the prevailing levels of housing need and the extent of local-authority provision of social-rented housing.

The proportion of households assessed as being in housing need by each local authority is shown in Figure 4.18. This map must be interpreted with caution, as difficulties in conceptualising and measuring housing need may have produced discrepancies between local authorities (O'Sullivan, 2004). These local authority assessments suggested that the highest concentration of housing need was found in Longford, where more than 5.15% of households were in need, followed by Waterford City, Wexford, Wicklow and Carlow clustered in the south-east, together with Clare, Sligo, Donegal and Monaghan. Local-authority provision of social-rented housing seemed to broadly reflect the distribution of housing need (see Figure 4.19). Areas with higher proportions of households in housing need generally had lower numbers of households per local-authority completion (shown in dark brown). However, the distribution of housing-association completions did not seem as
strongly related to housing need. Several of the areas with the highest concentrations of voluntary-housing provision had the lowest levels of housing need, including Limerick, Kilkenny and Mayo.

There was some evidence that voluntary housing has tended to emerge to fill gaps in local-authority provision. Comparison of Figures 4.17 and 4.19 shows that many of the areas of highest housing-association output relative to the number of households has been in areas of slightly lower local-authority provision, such as Limerick, Kilkenny, Mayo, Sligo, Offaly, Kildare, Tipperary South, Waterford and Carlow. Of course it is difficult to determine whether voluntary-provision has resulted in decreased local-authority provision or vice versa.

Having discussed the basic characteristics of the voluntary-housing sector in the Republic of Ireland, attention is now turned to housing associations’ approaches to developing and managing their housing stocks and the issues of their governance and professionalisation.
A housing estate for low-income families in Monasterevin, comprising twenty three-bed semi-detached houses, which was completed under the LSS in 1993.

Plate 4.1b. Slí an Chanáil, Leixlip, Co. Kildare (2001)
A housing estate for low-income families in Leixlip, comprising 32 three-bed semi-detached houses, which was completed under the LSS in 2001.
Plate 4.2a. Dromcolloagher, Co. Limerick
A group housing scheme for elderly people living independently. It is one of four voluntary housing projects for the elderly in the village of Dromcolloagher, comprising 35 houses in total, which were all constructed under the CAS.

Another group housing scheme for the elderly, funded under the CAS, comprising ten bungalows. Completed in 1997, this was the first voluntary housing project of its type to be developed in Rathangan.
Short-term emergency accommodation for the homeless at Anderson's Quay in Cork. Completed in 1995 under the CAS, the centre includes 44 emergency beds and communal recreation rooms, with seven transitional flats adjoining.

Replacing an older facility, this centre for homeless men was funded under the CAS and opened in 2003. With accommodation for 79 men, the centre comprises clusters of ten bedrooms with shared lounges and bathroom facilities, while extensive communal facilities include a restaurant, laundry, activity room and multi-purpose training room.
Plate 4.4a. Margaretholme, Sandymount (1965)
Opened in 1965, prior to the introduction of the CAS, this sheltered housing scheme for elderly people comprises 43 flats in several blocks. Dining and laundry facilities and a communal lounge are provided in a central block.

Plate 4.4b. Ailt an Oir, Glenageary (1990)
The same medium-sized association's second sheltered housing project was completed in 1990 under the CAS. Comprising fifty flats, this scheme has a contrasting layout. Dining and laundry facilities are located in a central core, which is linked to three satellite blocks by glass corridors, so the residents do not have to venture outside in bad weather.
Plate 4.5

Plate 4.5a. Dromcollogeher and District Day Care Centre (1997)
Dancing at the day care centre in Dromcollogeher, which was constructed with the aid of a Lottery-funded grant for the provision of communal facilities and opened in 1997. The centre is run by the Sisters of the Infant Jesus and is open three days per week to the elderly people of the district.

Plate 4.5b. Dromcollogeher and District Respite Care Centre (2002)
Residents relaxing in the sitting room of the respite care centre in Dromcollogeher, which is run by the Sisters of St. Joseph. This centre was also constructed with the aid of the communal facilities grant and opened in 2002. It provides short-term nursing care for the elderly.
Figure 4.1. Housing Associations by Housing Stock Size, 2000*

* Note: Two of the survey respondents managed between 250 and 300 homes but, as their planned housing developments with approved funding for 2001/2002 would increase their housing stocks to over 300 homes, they were included in the ‘large’ category (sources: DOEHLG, unpublished data; ICSH, unpublished data; NABCo, unpublished data; interviews with statutory and non-profit agencies; ‘ROI Housing Associations Survey’, 2001).
Figure 4.2. Distribution of Housing Associations by Housing Stock Size
Figure 4.3. Housing Associations by Legal Status*

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* Survey response: 179 of the 185 survey respondents (97%) provided details of their legal status (source: 'ROI Housing Associations Survey', 2001).
Figure 4.4. Housing Associations Registered with the CRO by Company Status*

* Note: 337 of the 474 housing associations in the Republic of Ireland identified at the beginning of the study were listed by the ‘IRION’ database and company status was stated for 336 (source: www.irion.ie, accessed 12/03/01).
Figure 4.5. Housing Associations Registered with the CRO by Year of Filing Latest Annual Report*

* Note: 337 of the 474 housing associations in the Republic of Ireland identified at the beginning of the study were listed by the 'IRION' database and, excluding dissolved companies, the date of filing the latest annual report was stated for 245 (source: www.irion.ie, accessed 12/03/01).
Figure 4.6. Housing Associations by Year of Establishment*

* Survey response: 176 of the 185 survey respondents (95%) provided details of their year of establishment (source: 'ROI Housing Associations Survey', 2001).
Figure 4.7. Distribution of Housing Associations by Year Established
Survey response: All of the 185 survey respondents provided details of the origins of the housing association. However, the total number of housing associations appears to exceed 185 on the graph because 27% (fifty associations) reported multiple originators (source: ‘ROI Housing Associations Survey’, 2001).
Survey response: 183 of the 185 survey respondents provided a statement of their aims and objectives. Housing associations' functions were classified primarily on the basis of these statements but comments in covering letters and the organisations' names were also taken into account, where relevant. It was possible to classify all 185 survey respondents on the basis of function (source: 'ROI Housing Associations Survey', 2001).
Figure 4.10. Housing Association Aims and Objectives Classified by Target Group

* Survey response: 183 of the 185 survey respondents provided a statement of their aims and objectives. Housing associations’ target client groups were classified primarily on the basis of these statements but comments in covering letters and the organisations’ names were also taken into account, where relevant. It was possible to classify 169 survey respondents on the basis of target client group. However, the total number of housing associations appears to exceed 169 on the graph because 20% (34 associations) reported multiple target client groups (source: ‘ROI Housing Associations Survey’, 2001).
Survey response: 183 of the 185 survey respondents provided a statement of their aims and objectives. Housing associations’ catchment areas were classified primarily on the basis of these statements but comments in covering letters and the organisations’ names were also taken into account, where relevant. It was possible to classify 69% (126 associations) of these statements on the basis of catchment area (source: ‘ROI Housing Associations Survey’, 2001).
Figure 4.12. Housing Associations by Tenants Accommodated

* Survey response: 121 of the 185 survey respondents (65%) provided details of their tenants' support requirements. However, the total number of housing associations appears to exceed 121 on the graph because 32% of the survey respondents (39 associations) accommodated tenants from multiple categories of need (source: ‘ROI Housing Associations Survey’, 2001).
Figure 4.13. Size and Type of Completed and Planned Housing Units

* Survey response: 131 of the 137 survey respondents (96%) with completed housing units, managing 5,710 completed housing units in 330 housing projects, gave details of the size and type of accommodation provided, while 77 of the 185 survey respondents (42%) had plans to develop 1,639 housing units in 130 housing projects in 2001 / 2002 and gave details of the size and type of accommodation to be developed (source: 'ROI Housing Associations Survey', 2001).
### Figure 4.14. Housing Association Projects by Services Provided*

*Survey response: 137 of the 185 survey respondents (74%), managing 364 completed housing projects, gave details of the services provided at each project. However, the total number of housing projects appears to exceed 364 on the graph because multiple services are provided at many housing projects (source: ‘ROI Housing Associations Survey’, 2001).
Figure 4.15. Distribution of Housing Associations by Location Type
Figure 4.16. Private Households per Active Housing Association, 2001
Figure 4.17. Private Households per Voluntary Housing Unit Completed / Acquired, 1992-2002
Figure 4.18. % Private Households in Housing Need, 1996
Figure 4.19. Private Households per Local Authority Unit Completed / Acquired, 1992-2002
<table>
<thead>
<tr>
<th>Location Type</th>
<th>Identified Housing Associations</th>
<th>Estimated Active Housing Associations</th>
<th>Survey Respondents</th>
<th>Total Households, 1996</th>
</tr>
</thead>
<tbody>
<tr>
<td>City</td>
<td>170</td>
<td>110</td>
<td>65</td>
<td>425,672</td>
</tr>
<tr>
<td></td>
<td>36%</td>
<td>35%</td>
<td>35%</td>
<td>38%</td>
</tr>
<tr>
<td>Town</td>
<td>147</td>
<td>97</td>
<td>58</td>
<td>243,750</td>
</tr>
<tr>
<td></td>
<td>31%</td>
<td>30%</td>
<td>32%</td>
<td>22%</td>
</tr>
<tr>
<td>Rural</td>
<td>152</td>
<td>110</td>
<td>61</td>
<td>453,816</td>
</tr>
<tr>
<td></td>
<td>33%</td>
<td>35%</td>
<td>33%</td>
<td>40%</td>
</tr>
<tr>
<td>Total</td>
<td>469</td>
<td>312</td>
<td>184</td>
<td>1,123,238</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Table 4.1. Location of Housing Association Head Offices by Location Type*  

* Sources: DOEHLG, unpublished data; ICSH, unpublished data; NABCo., unpublished data; interviews with statutory and non-profit agencies; ‘ROI Housing Associations Survey’, 2001; CSO, 1996.
<table>
<thead>
<tr>
<th>Location Type</th>
<th>Completed Housing Units</th>
<th>Completed Housing Projects</th>
<th>Average Housing Project Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>City</td>
<td>2,988</td>
<td>110</td>
<td>27</td>
</tr>
<tr>
<td>Town</td>
<td>2,011</td>
<td>129</td>
<td>16</td>
</tr>
<tr>
<td>Rural</td>
<td>805</td>
<td>74</td>
<td>11</td>
</tr>
<tr>
<td>Total</td>
<td>5,804</td>
<td>313</td>
<td>19</td>
</tr>
</tbody>
</table>

Table 4.2. Location of Completed Housing Units and Projects by Location Type

* Survey response: all of the 185 survey respondents provided their address and it was possible to classify 184 on the basis of head office location type (source: ‘ROI Housing Associations Survey’, 2001; CSO, 1996).
CHAPTER 5. LOCAL AUTHORITY PERCEPTIONS OF THE VOLUNTARY HOUSING SECTOR

5.1 INTRODUCTION

In contrast to the UK, where centralised agencies have long been responsible for funding and regulating housing associations, the local authorities have retained this role in the Republic of Ireland. The support and co-operation of the local authorities is crucial to the successful completion of most voluntary housing projects. However, the literature shows that an uneasy relationship has emerged between housing associations and the local authorities, which may have hindered the expansion and diversification of the voluntary-housing sector. In a context of over-stretched resources, the local authorities seem to have experienced some difficulty in fulfilling their responsibility for enabling housing associations, while simultaneously maintaining their own substantial building programmes. Particular competition has arisen regarding access to development land. Not surprisingly, the local authorities' own building programmes have tended to take precedence. Compounding this competition for resources and land, researchers have suggested that the local authorities tend to view voluntary-housing sector in a negative light. It has been argued that local-authority officials view housing associations as a threat to their own traditional remit as the primary providers of housing for low-income families (O’Sullivan, 1998b) and as unprofessional and unskilled (Brooke, 2001) (see Section 2.4.5). This chapter aims to explore the attitudes of local-authority officials towards housing associations, with regard to their housing development and management performance, their governance and professionalism. The monitoring and regulation of Irish housing associations is also examined.

5.2 THE DOEHLG PERSPECTIVE

Persuading the local authorities to support the voluntary-housing sector was seen as key to achieving increased output and was identified as an important function of the Voluntary and Co-operative Housing Unit of the DOEHLG. To this end, the unit held a series of seminars, explaining how the two funding schemes work. It was argued that the establishment of a dedicated unit was very important in encouraging the local authorities to
promote voluntary housing, as it is a source of support and help which was not previously available:

"D. [Executive Director, ICSH] is out there trying to bring people in the sector along with him and we're trying to do the same with the local authorities. We're trying to get the local authorities to see the sector's potential as a provider of housing. Some local authorities are very good and some do nothing. Now there are voluntary housing projects in every county, even though there might be nothing going on at the moment. There are still a couple of counties with no LSS projects, but very few. We organise seminars on the schemes for the local authorities and say 'here's how the schemes work, don't be afraid of them'. We held three or four last year based on the new manual, explaining the latest measures. We're trying to upgrade the local authorities, that's a key function of the unit. The unit is very important because they wouldn't have had that support before. So now they can get help with the forms and so on. Before they didn't have that support and they wouldn't do anything unless someone sent them a letter telling them to" (DOELG3).

According to the DOEHLG representative, voluntary-housing output is subject to considerable variation, both between local authorities and over time. Several structural and attitudinal factors were identified as important in this regard. Local government restructuring under Better Local Government - A Programme for Change (DOE, 1996) created two structural difficulties for housing associations attempting to deal with the local authorities. Although each local authority must have a designated officer with responsibility for dealing with voluntary housing, these officers are constantly changing due to the perennial problem of high staff turnover in local-authority housing departments. This lack of continuity presents problems for both housing associations and the DOEHLG.

Local authority restructuring in recent years has simply exacerbated this problem:

"...with the local authorities; you get a great guy and then he's gone. The last two years have been a huge period of change in the local authorities although it's settled down now...It's also a problem for voluntary bodies, it's been a disaster for them. Every local authority has to have an officer designated to deal with the voluntary bodies...It was desperate a year or so ago, you look for somebody and they're gone. It was a big problem for monitoring, we couldn't get the returns in. The B.L.G. Programme caused a lot of that with restructuring. There were a lot of promotions through the B.L.G. to Directors, maybe three per small local authority. You mightn't get a fella who's as committed to the voluntary sector and it's very hard to change that" (DOELG3).

A further difficulty arising from local government restructuring was the decentralisation of local-authority services, through the creation of area offices. Some authorities split responsibility for voluntary-housing provision between the new area offices, while others retained one officer at central level with responsibility for co-ordinating voluntary housing provision. It was argued that the latter arrangement is more effective, as it ensures that housing associations only have to deal with one person, who should be familiar with the operation of the funding schemes (DOELG3).
Compounding these structural difficulties, there appeared to be a certain amount of tension between central- and local-government policy with regard to voluntary housing, as a result of attitudinal factors. According to the DOEHLG representative, considerable variation exists in the degree to which the local authorities are obstructing or promoting housing associations. It was argued that the level of support towards the sector in a local authority generally fluctuates over time and several authorities were identified which the unit had previously considered to have a very positive attitude towards the sector but which had since declined and *vice versa*. The respondent felt that this was very often simply the result of differences in the attitudes of individual housing officers towards the sector (DOELG3). It was argued that some of the local authorities do not feel that there is any need to promote voluntary housing in their areas because their own social-housing programmes are running well and successfully meeting housing needs:

"Even some of the good ones haven't got projects through. If they are very good at dealing with the waiting list, they don't see the need for getting Respond! in" (DOELG3).

"Cavan has no LSS schemes so far, but they build houses so fast themselves there might not be a need" (DOELG3).

The perspective of senior officials in a local authority was identified as very important in this regard. It was argued that the attitude of the county manager or director of housing permeates down to housing practitioners, affecting the treatment of housing associations (DOELG3):

"You often get a run of schemes and then it stops. It might not be the official's fault. They have a lot to do and you need bodies with viable schemes. It's a problem if they block it but that's usually a difficulty that's coming from above" (DOELG3).

"Often a key person like the county manager thinks it's a good idea and then it will set in, like B... in Dublin City Council is behind it there and the same in Cork as well" (DOELG3).

"Waterford County were good but they've gone off now and they've gone to the dogs. They used to have one every year but there's nothing at the moment. They may be hamstrung by the guy above. I can't get the Manager, only the Assistant Secretary would be able to" (DOELG3).

The DOEHLG respondent felt that some senior public servants see housing associations as a threat to their traditional remit as the sole providers of social housing, although it was argued that this view is no longer as widespread as it was in the past:

"Some - not the majority any more - see voluntary housing as a threat to their remit and where that's the case it's usually coming from the managers. Some don't see the need for it, like Kerry do their own programme very well and fast so why do it?" (DOELG3).

Other reasons for local-authority opposition to the central government policy of promoting voluntary housing include diminished control over allocations and competition over land:
Also, the allocations have gone from their power...The voluntary bodies are also in competition with the local authorities for land. Land is scarce and the local authorities are under pressure to build houses for themselves. They say ‘I’ve got to build my own programme or the DOE is on my head’ (DOELG3).

However, it was felt that most local authorities see the large housing associations with substantial development programmes in a different light to the small, community-based associations. It was argued that while some local authorities do tend to resist large associations, few obstruct the smaller ones:

“They might be resistant to a national body but hardly anywhere would you find resistance to local bodies. Then they might get a national body to build it for them and maybe then the local authority will see that they’re good” (DOELG3).

Despite concerns regarding the level of support for voluntary housing among some local authorities, it was felt that most housing practitioners have become more favourably disposed towards the voluntary sector. The establishment of the unit was identified as a factor that has been instrumental in changing local-authority attitudes toward housing associations. It has shown that the policy of promoting voluntary-sector housing has the full support of the DOEHLG and provides a new source of help and support to the local authorities:

“Gradually, it’ll spread, although there isn’t the demand in every county. Most practitioners are fairly positive. They’ve seen that the Department is behind it, since they established the unit. Before, they wouldn’t have seen the Department as serious about it and there was no-one to go to for support. The unit has helped to change their attitude, it’s a hand behind them” (DOELG3).

5.3 HOUSING DEVELOPMENT

Negotiations between the housing association and the relevant local authority generally take place at six stages in the process of planning and developing a voluntary-housing project: the identification of a housing need, the acquisition of a site, the design of the housing project, application for planning permission, application for funding approval and finally, drawing down the payments during construction. The local authorities assess proposals for voluntary housing projects according to three key criteria, which must be kept in mind throughout the development process:

“When they’re looking for funding, there are three things we look at: is there a need, is it value for money and does it meet the design guidelines” (LAI).
5.3.1 Identification of Housing Need

The issue of identifying housing needs was clearly causing considerable friction between some local authorities and housing associations. This was the topic that generated most debate at both discussion groups. Local-authority officials felt that some housing associations do not engage in adequate consultations with the local authorities regarding the need for the housing projects proposed for various locations, prior to the identification of specific sites. Many officials felt that some associations bypass this research and consultation phase altogether and immediately progress to trying to acquire a site:

“I would say that our experience is that they tend to just find a site and throw it at you” (NHP1).

Rather than identifying a housing need in a particular area and then looking for a site, it was argued that housing associations look for sites from auctioneers without any prior research:

“W_ [county council] would welcome voluntary housing associations. But they trail the auctioneer and get a piece of land on a map with no research and no valuations. The price wouldn’t come into it anyway or services. Sometimes they wouldn’t even know that they were in A. U.D.C. and not in the county area. They wouldn’t have gone to the county council to see if there was a need” (NHP1).

There was a view that housing associations do not adopt a strategic approach to the provision of social housing and nor do they feel that they should have to consult with the local authorities regarding the need for proposed voluntary-housing projects:

“Or they come to us and say that they’ve done a deal with a developer. They’d come to us saying: ‘We want it, send it in to the Department for approval, stick a resolution in front of the councillors’. Sometimes we would say ‘Have you a need for this?’ and they say ‘Not really!’” (NHP1).

A widely-held view among local-authority officials was that some housing associations do not take seriously the role of the local authorities, with regard to strategic planning for the overall provision of social housing at the city or county level. An example of the kinds of conflicts that can arise was given by an interviewee from a city council. This local authority had adopted the objective of increasing the mix of housing tenures in certain areas of the city, where there were very high concentrations of social housing, together with social problems and pressure on local services. However, it was argued that some housing associations do not appreciate the importance of the city council’s strategic planning role. They do not see the wider planning context and put the city council under
pressure to approve projects, despite the objective of not providing any more social-rented housing in these areas:

"We can\'t slap up any more social housing in N\_, B\_, D\_, there\'s already enough. They\'re not looking at the big picture or they feel they don\'t have to the way we do, which leads to conflicts. And then we\'re the worst in the world when we won\'t recommend a project for funding" (LAI).

Regardless of the standard of housing management achieved by the housing association, this local authority was opposed to any further concentration of vulnerable households in certain parts of the city, as it was felt that it would increase the pressure on local services and create social problems:

"They argue back that they will manage it. But there will still be too many people using the same facilities in the area and there will be social problems" (LAI).

In addition to arguing that some housing associations do not appreciate the importance of the local authorities\' strategic planning role, it was also argued that they fail to recognise that the local authorities also have a valid role in the technical assessment of housing proposals. It was felt that some associations view the proper role of the local authorities as being restricted to administering the financial aspects of the funding schemes:

"...delays occur because some associations see our role as just having a cheque-book. We would be at loggerheads saying \'it\'s not worth ten million\'. They say \'it\'s not your business, just give us the money\'. Then it\'s our fault: \'You told me to buy the site two years ago and now you\'re stopping us\'" (LAI).

In the event of objections being raised to a voluntary-housing project on strategic or technical grounds, certain associations view the local authority merely as a barrier to achieving the national output targets set by central government:

"We\'re an obstacle in their way to providing social housing. We\'re seen as a hindrance to achieving targets. They\'re not all like that, there are just one or two that feel they have been given a blank cheque to go and produce social housing" (LAI).

Thus, many local-authority officials saw this divergence of opinion regarding the local authorities\' proper role in the development of voluntary housing as a source of conflict.

In many cases when a point was being made about housing associations failing to consult adequately with the local authorities, an important distinction was made between some of the large associations and the smaller associations. In general, a more positive attitude seemed to exist towards the smaller, community-based associations, which were generally viewed as being more in touch with local housing needs than some of the large associations with nation-wide development programmes, as illustrated below:
“Often, the bigger they are, the less consultation with us there is. The smaller ones come to us and we are involved in the project from day one. We look at where there is a need before identifying a site” (NHP1).

“Our experience would be positive with groups that are locally based and catering for special needs and not so positive towards larger housing associations like the Clúids and that. We would find more problems with them” (NHP2).

“In L_[county council], our experience would be the same. Local groups need a lot of hand-holding but they do deliver locally. If you’re dealing with bigger professional housing associations then they will just plough in regardless. We can’t sustain large projects in towns in L_” (NHP2).

“The local community-based ones get the job done quickly and efficiently. Respond! and Clúid decide to construct without any consultation. But we have had success stories as well” (NHP2).

“Having said that [some housing associations do not consult with the local authorities regarding the identification of housing need needs], there are a lot of small community groups up and down the country that see a need and do very good work” (NHP1).

“They [large housing associations] give the impression that they have done all the groundwork and that they are locally accepted. You put a lot of work into the application and then realise that they haven’t done the groundwork at all” (NHP2).

Some local authorities argued that difficulties have been created by the current climate of competitiveness between some of the larger housing associations, which are attempting to increase their market share. These local authorities felt that they are put under pressure to recommend proposed housing projects for approval, even those considered unsuitable:

“We’d have 194 units completed now. I would divide them into the two categories of: local groups - the real voluntary groups - and then mere business interests, the professionals. They’re driven more by the developers and they’re all competing with each other to get into the market. We’re anxious for schemes but not just anything, anywhere. You feel like your back is against the wall and you have to support applications” (NHP2).

These larger associations were thought to adopt more aggressive tactics to gain approval from the local authority, including political pressure:

“In W_[county council], it reflects what everyone else says, the large ones plough in and have deals done with developers. And if you say no they’re not happy with it, then there’s political intervention. The small organisations know where the need is, like St. Vincent de Paul. They target areas a lot better than the bigger organisations can” (NHP2).

However, the view that some or all housing associations fail to engage in adequate consultations with the local authority was not shared by everyone and there were a few dissenting voices. In two cases, local-authority officials were satisfied with the level of consultation regarding the identification of housing needs:

“...just in the last month I got an application by a voluntary housing group particularly asking those types of questions. In fairness, one proposal was a non-runner and they accepted that and decided not to go ahead with it but another went ahead. So, they were good in that respect” (NHP2).
In response to a number of respondents voicing concerns about the poor level of consultation with local authorities, another respondent stated that in his experience, housing associations never trail auctioneers. This county council actually had to invite associations to form partnerships and they were not always interested:

“I’d be of a different opinion, we don’t find that at all in L_ [county council] and I’ve heard this up and down the country. In a lot of cases we’ve gone and invited in a voluntary agency. Maybe they feel they have enough on the cards with the stock they have. We like to do that, so we can access the funding for a community facility. And we are particularly into achieving a public, private, voluntary mix - a balanced mix in terms of management styles” (NHP1).

Finally, an issue of concern to some of the local authorities was that some of the health boards had begun to form partnerships with larger housing associations. This enables the health boards to access funding for the construction of sheltered housing under the CAS and health centres under the communal facilities grant. This was seen as misuse of the funding schemes because most of the tenants are drawn from institutional care so these developments do not impact on the local-authority waiting list:

“The health board here has been linking up with the larger associations, Respond! particularly. They’re looking to decant out elderly people in houses on lands adjacent to hospitals or whatever. Good enough! But they’re not dealing with our housing lists and there are very big numbers - 180 planned - that’s nearly half of all the voluntary housing planned in the county. The health boards are doing the running and those people wouldn’t turn up on the waiting list because they’re in hospitals or whatever. And they’re using the communal facilities grants to provide health centres and things like that” (NHP2).

While some of the respondents agreed with this point of view, others argued that the funding was being put to good use, as long as quality of life was being improved for people in housing need:

“I would say fair play to the health boards. Ok, voluntary housing is meeting a need that should potentially be provided by the health board. But my view is that we should provide an improved quality of life for people and as long as we’re doing that it doesn’t matter” (NHP2).

5.3.2 Site Acquisition

Local Authority

The local authorities remained surprisingly quiet on the subject of their role in the process of site acquisition. No mention was made of the Subsidised Sites Scheme in either the discussion groups or the interviews. Very little was said about local authorities either transferring sites to housing associations for voluntary housing provision. Just one of the local authorities included in the research appeared to take a very proactive approach with regard to site acquisition and the voluntary sector. This county council often invited
housing associations to form public-private partnerships, partly in order to achieve a mix of housing tenures within housing projects (NHP1).

The transfer of local-authority stock to housing associations still seemed relatively unusual. Both of the city councils that participated in the research had transferred ‘problem’ local-authority estates to large associations and seemed happy with the outcome:

“In our own area - it’s a socially deprived area - in conjunction with Respond! we refurbished some local authority houses completely. We sold them to Respond! who took over the existing tenants, moved them out, did the refurbishment and moved them back in again. It was a very successful refurbishment and they have maintained a local office in S.” (NHP2).

Perhaps partly as a consequence, both of these respondents seemed to hold particularly positive attitudes towards housing associations, especially the large associations with substantial building programmes (LA1, NHP2).

The construction of new dwellings by the local authorities for the purpose of transferring them to housing associations seemed equally unusual. None of the discussion-group participants were aware that this ever happens. The only case where this was mentioned as a possible option was as a last resort. The DOEHLG had cancelled the funding for an affordable housing project which was nearing completion. The county council in question was considering transferring some of the units to a housing association, as the project was considered too big to be entirely public-rented:

“We may have to do that in M, [county council]. The Department is saying there’s enough affordable housing and won’t give us the money for it. But there are in excess of 100 houses nearing completion so we may actually have to transfer some” (NHP2).

These types of transfers did not seem to be a common occurrence. The local authorities’ first priority was clearly sustaining their own building programmes and meeting their own output targets. They did not appear to have the capacity to provide additional units for the voluntary sector.

The DOEHLG’s method of gathering statistics relating to social-housing output discourages the local authorities from providing either sites or completed dwellings for housing associations. The local authorities only have access to a finite number of sites, so any increase in voluntary-sector output on municipal land produces a corresponding decrease in the local-authority’s potential output. The threat of attracting criticism on the grounds of failing to meet housing needs encourages the local authorities to retain any suitable sites and maximise their own output. They are discouraged from providing sites
for voluntary housing, as this enabling role is not acknowledged in the official statistics. The interviewee highlighting this issue argued that the figures for all of the social housing options, including local authority, shared ownership, affordable and voluntary housing should be combined. This would provide a better reflection of the overall increase in social housing provision either provided directly or enabled by the local authorities:

“Our biggest problem is that there are two sides to the DOE, Construction and Voluntary Housing. If the output numbers increase on one side, they decrease on the other, because of sites. So they should combine the figures for direct-build and voluntary housing. We shouldn’t be looking at a headline that D City Council has failed to provide because that’s not true. Altogether, affordable housing, voluntary housing, shared ownership, and direct-build have provided more units than new entrants to the waiting list. But the direct-build on its own looks very low” (LA1).

**Property Developers**

Several references were made to housing associations ‘doing a deal with a developer’ but few details were provided. It was noted that private housing developers sometimes make agreements with housing associations, in order comply with Part V of the *Planning and Development Act, 2000*. In one case, the county council in question was not in favour of these alliances, as it was felt that it is the local authority’s prerogative to negotiate with the developer as to how the requirements of Part V should be fulfilled:

“I believe there are some housing associations that approach the developer and suggest that they manage some of the units under Part V. F_ [county council] is very much against that. F_ decides and makes the agreement” (LA2).

**Private Market**

Larger associations were generally seen as being better equipped than smaller ones to compete in the private market for land. It was felt that their greater access to resources enables them to progress through the site acquisition, design and planning stages much more quickly:

“That’s an essential difference between the large and small housing associations is money. The large ones go to auctioneers to get sites and the small organisations identify the need and then they go about planning and designing. Then they come to another loop of how to pay the architect because they might want their money for it straight away. The larger associations might go to the planning stage a lot faster because they have the capital to do it” (NHP2).

An interviewee, from a city council which is actively promoting voluntary housing and large associations in particular, expressed the view that housing associations should acquire their own sites, while the local authority’s role should be purely facilitative. It was argued that the city council does not own enough suitable land in the city to provide sites for voluntary housing:
“Our role is to facilitate them. They would say ‘the local authorities don’t give us sites so we can’t be proactive’. But we’re a city council, we don’t have suitable sites to give them. They were cribbing, really. So I say to them ‘There’s nothing to stop you going out and getting sites’” (LA1).

Furthermore, it was argued that it is possible to get better value if housing associations acquire sites directly, without the involvement of the local authority:

“Sometimes if D City Council is known to be involved, that puts up the price again. There are two things: people don’t want social housing and people see us as the golden egg” (LA1).

This interviewee had observed a change in housing associations’ approach to site acquisition in recent years, with less reliance on the local authority and an increased willingness to take risks on the private market:

“Since the National Development Plan, that’s when they became more proactive. That’s what drove it...They became more proactive and started going out and buying sites” (LA1).

However, even large housing associations must operate within tight financial constraints and, as a consequence, their choice is often restricted to sites which are not attractive to private developers:

“They are gazumped a lot of the time by a private developer who wants to develop the land” (LA1).

The importance of prior consultation with the local authority regarding the suitability and cost of the site was highlighted, although the interviewee was at pains to point out that the city council in question was sensitive to delays and dealt with these enquiries expeditiously:

“...they have to get approval but only the nod, we wouldn’t delay it before they buy” (LA1).

“We also get a consultant valuer to value sites to make sure it is not completely off-the-wall. He’s available at the drop of a hat because we don’t want to take too long to buy sites, he’d be available at 24-hours’ notice” (LA1).

5.3.3 Design and Planning Permission

From the local authorities’ perspective, two main problems arise at the design and planning stages. Housing associations do not always engage in adequate consultation with the local authorities regarding the design of proposed projects prior to obtaining planning permission. If the project has to be re-designed at a later stage, in order to incorporate changes recommended by the local authority, this may cause serious delays and increase costs. Further difficulties are caused by the lack of funding to cover design fees prior to
full funding approval being granted by the DOEHLG. This presents problems for some housing associations in getting good quality design work completed within a reasonable length of time.

Consultation

Failure to engage in adequate consultation with the local authority regarding the design of proposed housing projects, prior to obtaining planning permission, was an issue that emerged from an in-depth interview with a city-council official. According to this interviewee, the initial designs for voluntary-housing projects often need modification, as designs for private housing may be unsuitable for social housing. For example, having four doors opening off a corridor in an apartment block is acceptable for private developments but does not comply with the design guidelines for social housing (LA1). External appearance can also be an issue. For example, a housing association’s architect may design a landmark building, while the local authority wishes to provide social housing that does not stand out from its surroundings:

“Sometimes housing associations come up with wonderful designs for things but they’re off the wall for social housing. They’re out-of-keeping with what is needed, something that is low-profile and fits into the area quietly” (LA1).

Therefore, a local-authority architect generally checks designs for voluntary-housing projects for compliance with the design guidelines, while a quantity surveyor ensures the proposed project is good value-for-money, prior to recommending the proposed project to the DOEHLG for funding approval (LA1). Further technical reports may also be sought from other local-authority departments such as transportation, water and drainage, particularly if it is a large project or if planning permission is being sought under Part 11, whereby the local authority makes the application for planning permission (LA2).

The importance of the local authority having this input at an early stage in the design process was emphasised. While it was argued that the local authorities are reluctant to require housing associations to re-design their proposed housing projects once planning permission has been granted, it is sometimes unavoidable and long delays and increased costs may result. Therefore, it is preferable to gain local authority input prior to planning permission being sought:

“Delays are with the designs, getting that wrong and trying to get them to re-design and keep down costs” (LA1).
It was argued that until recently, housing associations have often failed to seek this early local-authority input to the design process. In the interviewee's opinion, housing associations do not consider any assessment of designs for voluntary-housing projects beyond the normal planning process to be part of the local authorities' proper role. These associations feel that local-authority input should be restricted to the rubber-stamping of applications for funding approval and forwarding to the DOEHLG. At least in the city in question, this attitude was slowly changing and housing associations were beginning to seek local-authority input prior to seeking planning permission:

"That's where we're weakest. So it's very important to get in early so we can incorporate design changes. We're beginning to train them into doing that. But they used to see us as a formality. We have bi-monthly meetings with all the housing associations that have projects in the city. We're trying to get them round to our way of thinking, it's more efficient at the other end. Especially if you have to go for planning, forget it, it takes forever, with the public consultation and everything. We try to avoid it if we can at all" (LA1).

This view was supported by another interviewee's comment that there was a greater awareness among housing associations that it is necessary to submit a preliminary application. This was attributed to the recent publication of the DOEHLG's (2002) manual, which highlights the need for housing associations to consult with the local authority at an early stage:

"A lot more associations are more aware that they have to submit preliminary application now. Under the new rules, since the introduction of the new manual, the onus is on them" (LA2).

Design Fees

There was a widespread view among local-authority officials that the lack of provision for the payment of design fees prior to the granting of funding approval causes difficulties for housing associations. Housing associations are forced to take risks in engaging a design team, as not all proposed projects are approved. Even for successful proposals, delays of several years may be incurred before a housing association is in a position to pay the design team.

The local-authority officials were aware that some associations negotiate with their design teams to complete the work on a 'no foal, no fee' basis, as a result of the difficulties in obtaining timely funding to cover design fees and they highlighted the difficulties associated with this approach (NHP1). Under this arrangement, the design fees are only payable if the application for funding approval for the housing project is successful, which limits the choice of architectural practices as not all will work on this basis (LA1). Furthermore, work undertaken on this basis is not likely to be considered a priority, which
may cause delays if the design team has other clients in a position to settle their accounts quickly. Finally, housing associations seeking to engage an architect cannot negotiate a favourable rate when payment is uncertain. Architectural practices were seen as very bad value by one Housing Engineer:

"The fees they're charging them would be two people's wages in a county council" (NHP2).

It was felt that smaller housing associations are more likely than large ones to be adversely affected by the problems caused by the lack of satisfactory arrangements for the payment of design fees. Local-authority officials generally seemed to think that the large associations have more resources at their disposal, enabling them to avoid these pitfalls. There was a misguided perception that all of the large associations employed in-house design teams. Some respondents felt that these large associations were profiting excessively from the funding schemes by charging unreasonable rates for design work:

"The larger ones are now saying 'we want 10% now' for in-house design" (NHP1).

This view was supported by another respondent who felt that the design fees negotiated by local groups attend to be better value than those charged by some larger housing associations:

"The larger ones have their own design teams but now they're charging design fees at 8% or 9%. They're now using a higher percentage to offset against their costs. Local groups will pay their 5% or 6% and get on with it" (NHP2).

However, this view was not universally held with another respondent arguing that, contrary to popular belief, the smaller associations are not managing to negotiate favourable rates from their design teams by virtue of their voluntary status. One respondent felt that small associations tend to get poor quality, bad value-for-money design work from architectural practices:

"...consultants may do design and costing and then we have to do it again. They're not getting it cheaper because of their voluntary status. Larger organisations have in-house design but the smaller ones are being exploited by the application of a percentage to design fees by unscrupulous design teams and their work is poor quality" (NHP2).

The respondents were asked whether they had explored any alternative ways of enabling housing associations to get the design work completed, such as the provision of a design service by the local authorities or the National Building Agency (NBA). There was general agreement that local authorities do not tend to undertake design work on behalf of housing associations. It was pointed out that the workload in local-authority architecture departments is too high to allow them to design their own social-housing projects and that
most of their time is spent checking private-sector design work (LA1). One respondent felt that the most efficient solution would be to enlarge the local authorities’ architectural services, to enable them to design their own social housing projects and to assist housing associations as well:

“Schemes should be designed in the county council and we should apply that to our own schemes as well. Then they would have the benefit of our estimating and accounting as well” (NHP2).

It was not thought that housing associations tend to use the NBA’s design service much, either. Several respondents felt that they provide a poor service anyway, although another respondent felt that they had improved in recent years. There was little support for expanding their role in relation to housing associations:

“We’ve used them on three schemes and found them terrible bad, two local authority housing schemes and one halting site. You say they’ve improved so maybe they’re better now but we had nothing but problems with them” (NHP2).

The overall feeling seemed to be that the current situation is unsatisfactory but few local authorities had taken any steps to address the situation. An interviewee from a city council felt that the ICSH should lobby the DOEHLG for a solution:

“Personally, I think it’s within the wherewithal of the ICSH to sort that out. They should be flagging this at the DOE day and night. It’s grossly unfair that architects have to carry the costs of fees up to approval stage” (LA1).

This city council was the only example of a local authority trying to promote the sector by tackling the issue of design fees. It had recently taken a decision to borrow money for the purpose of lending to housing associations to pay design fees in the short term:

“D. City Council has decided to borrow €10,000 up-front and give it to them to pay the design fees. We can roll-up the interest charges and give it to them to be included in the costings. We have said we would do that. None of them have asked for it yet but Clúid have been asking so they may. We’re doing it out of sheer frustration because we’ve tried every avenue with the DOE. The smaller ones are often relying on the goodwill of the architect and q.s., although they’re fairly sure they’ll get the money in the long term” (LA1).

5.3.4 Funding Approval

Timeframe for Local Authority Approval

Following the granting of planning permission, the local authority submits a formal application for funding approval to the DOEHLG. One of the interviewees, from a city council, had a stated time limit of eight weeks for processing these applications before forwarding them.
"The next stage is making a formal application to the DOE. There is an eight-week time limit for processing applications which is fine in theory. But sometimes we don't get the right drawings or cost breakdowns as the q.s. needs them so we have to go backwards and forwards until we have everything we need. So, we're working on a checklist for housing associations with all of that" (LA1).

Another interviewee, from a county council, did not have a formal time limit but claimed to process applications quite quickly, within two weeks:

"If we get the application in with all of the details and support, all the information we require, we can generally forward on the forms quite quickly after that, within a week or two. But sometimes the drawings are at the wrong scale or the costs are broken down under the wrong headings. The only delays are if we don't have all of the information. With the smaller applications you would have them checked through that bit quicker. Generally speaking, smaller projects wouldn't require that much time" (LA2).

Incomplete Applications
Both interviewees had found that delays are often caused by the submission of incomplete applications, such as drawings at the wrong scale or costs broken down under the wrong headings. This perhaps adds weight to the argument raised by a discussion-group participant, that private-sector design teams sometimes produce poor quality work. While it was felt that the DOELG's (2002) recently published manual is a useful resource, it is somewhat detailed for this purpose and a clear, short list of the items that must be included in a funding application was required. In order to ameliorate this problem, both this city council and the ICSH were compiling check-lists to help housing association with the preparation of applications:

"There's a case for being able to tap into something. The green manual is very good but it's very detailed. I haven't read it from cover-to-cover, I just dip into it when I need to know something. So, we're drawing up an A to Z checklist at the moment. I think D [Executive Director] is also doing something similar at the ICSH. It will explain which forms to fill-in and the information needed like the scale of the drawings, basic things, the breakdown of the cost information, the site location map" (LA1).

Timeframe for DOELG Approval and Funding Cut-Backs
The Voluntary and Co-operative Housing Unit of the DOELG aims to process applications for funding approval under the funding schemes within eight weeks, although it was pointed out that slight delays are sometimes caused by incomplete information or staffing problems:

"We have a four-week target for approving funding applications if all the information is there. Sometimes there are problems with information not being there or things like an inspector being on holiday and it takes longer" (DOELG3).

However, one interviewee from a city council dealing with a large volume of applications was under the impression that there was 'no timescale' for the DOELG to reach a
decision (LA1). Another interviewee from a county council was aware of the two-month target but stated that this is rarely met and approval is more likely to take between six and eight months. She seemed to feel that the DOEHLG does not trust the local authorities’ methods of dealing with applications:

“It’s supposed to be a two-month period that they would have approval back to us within, but we rarely find that. It can be six to eight months. The two-month period doesn’t really happen. There seems to be unnecessary delays and questioning of our methods” (LA2).

There was widespread agreement among the local-authority officials who participated in the group discussions that serious delays were occurring following the submission of applications to the DOEHLG:

“When stuff goes in to the unit, it can take six months sometimes. And then they could throw it back to you” (NHP2).

It was argued that insufficient funding was causing these delays and that the funding situation was not likely to improve in the short term. Similar delays were also being experienced with regard to funding for local-authority housing. Described as ‘a tactical tightening of finances’, the DOEHLG was stalling by being overly fastidious and asking the local authorities to submit additional information regarding minor issues:

“Our experience is that we have two or three applications in with the Department and they’re dragging their heels. They’re coming back to us with minute queries because the money is drying up. They’re doing it with our own housing schemes as well” (NHP2).

As a result, there was some resentment among the respondents. It was felt that the local authorities were being unfairly blamed for some delays, as the front-line agencies dealing with housing associations.

“The Department could be very slow and we’re channelling the application so we get the flak. It takes far too long to get something processed” (NHP2).

**Duplication of Work**

The dual system of approval, whereby applications are approved by both the relevant local authority and the DOEHLG, was viewed as wasteful by both local-authority interviewees due to the duplication of work. It was felt that the application system, whereby both the local authority and the DOEHLG examine the same application according to the same criteria, could be streamlined:

“...with the larger projects you would have to have a consultant architect and q.s. involved to put together the application and then it is examined by ours and then the Department examines it again. It seems to be very wasteful, it’s a trebling of work in certain cases. In some cases it would be useful if things were streamlined. If we had a report by a reputable q.s. and architect...”
that the application complied with the manual, you could eliminate something somewhere” (LA2).

Not surprisingly, this interviewee felt that control should be retained at local level when asked about the appropriate level for granting approval:

“...a proposal shouldn’t require another recommendation if we are recommending it. The system could be looked at and it might be streamlined” (LA2).

**Communal Facilities and Mixed-Use Projects**

A further problem that can arise at the funding approval stage relates to difficulties in obtaining funding to provide a communal facility as part of a voluntary-housing project. Funding is available for specific types of facilities under the Lottery-funded communal facilities grant scheme, including communal kitchen and dining areas, sitting, recreation or activity rooms and treatment or therapy rooms (DOELG, 2002). However, alternative sources of funding must be found for other types of facilities such as crèches which are funded by the Department of Justice, enterprise units which are funded by the Department of Enterprise Trade and Employment and health centres which are funded by the health boards. It was argued that it is very difficult to bring forward a project when multiple funding agencies are involved, each with separate requirements and procedures. A city-council interviewee felt that a defined funding scheme should be in place for the provision of communal facilities of all kinds:

“The problem with voluntary projects is that they’re multi-purpose. For example, you have social housing and a sports facility or a health-board funded health centre and there are difficulties apportioning the costs. The DOE does not want to pay one penny more than what covers housing and it’s the same with the health board. If you started off with a blank sheet and want to build houses, you won’t just build houses. Even when a facility is needed you can’t get funding for the elements that are different...Communal facilities can cover them up to a point but it’s quite specific and you probably won’t get a crèche or an enterprise centre. We built the likes of Tallaght without shops or schools and we haven’t learned from it. If we want to build schemes with a service you can’t do so without going around with a begging bowl to different Departments...There’s no set structure there with a funding scheme to apply for” (LA1).

**5.3.5 Tender, Construction and Payments**

Payments are drawn-down by the housing association at various stages in the construction process, as the architect certifies that work is done. Both interviewees claimed to make these payments promptly, within about two weeks of the housing association’s application:

“...generally speaking, if I had applications for a funding draw-down one week and I submitted it before Friday, it would be available by the end of the following week, so it’s about a two-week turnaround” (LA2).
The CAS seemed to present some financial planning difficulties for the local authorities. It is a capital account and payments are made to the housing association and subsequently recouped from the DOEHLG. In contrast, LSS payments are borrowed and then paid to the housing association:

"We recoup the money, after we've paid out, from the DOE for CAS, that is the problem with capital accounts. With LSS we borrow the money so we ask for two weeks' notice because of the procedure for borrowing" (LA1).

However, one interviewee expressed a preference for dealing with payments under the CAS. It was argued that the lack of a borrowing procedure means that this scheme presents fewer administrative difficulties. Furthermore, no long-term administrative requirements are attached to the CAS, while LSS loan repayments must be dealt with and the management and maintenance allowance paid.

"It's easier with CAS. It's usually more straightforward, particularly for draw-downs. Once an application has been approved, the funding can be drawn-down in small amounts or all at once, especially for smaller projects like St. Michael's House. They would undertake the development from their own funds and then when we are satisfied the work is completed, we pay cheque out for the full price all at once. Whereas under LSS, it involves another Department, the Loan Accounts Section, then there are the contributions towards capital repayment and the management and maintenance allowance. It's a lot of extra work whereas CAS is very straightforward" (LA2).

### 5.3.6 Output Targets

A key question for the future of the voluntary-housing sector is whether housing associations will be able to meet the ambitious output targets set by the government. There were mixed views among local authority staff regarding this issue. There was a consensus among the participants in one group discussion that housing associations will probably fail to meet their targets, as a result of the long delays that are now being experienced in waiting for the DOEHLG to grant funding approval. An improvement in the availability of funding was not expected in the short-term. However, it was agreed that the targets could be met if the funding were made available. It was felt that the only barrier to increasing output was the availability of funding, as a substantial number of voluntary-housing projects were being planned for their areas:

"From L_'s [county council] point of view, if the funding is there, they will definitely meet their targets" (NHP2).

"It's the same in L_ [county council], Respond! and Cluid are trying to get in if the money is there" (NHP2).
Both interviewees felt that the housing associations in their administrative areas would be able to meet their targets. The city-council interviewee had concerns about the capacity of some smaller associations. However, she felt that the large associations had the capacity to increase their output to meet the targets, particularly Northern Irish associations which have recently begun to expand their operations into the Republic:

“I would have a worry about the capacity of some of them. But the UK housing association Circle 33 is looking for a C.E.O. and approved status and a lot have come in from Northern Ireland, Clann, Oaklee, Fold, BIH and St. Pancras from the UK. Before, we just dealt with NABCo, HAIL, Sonas and the Iveagh Trust. And there’s North and East Housing Association but they’ve done nothing for us yet. So the bigger ones probably have the capacity but they’re going to be all over the country” (LA1).

The county-council interviewee felt that while housing associations face a lot of barriers to development, such as access to funding and difficulties in gaining planning permission, they would still be able to meet the targets set out in the county’s housing strategy:

“Some of them are limited by sites, planning permission, funding. There’s a lot of limitations on them really. They are now up around 656 units in F_[county], not taking into account the smaller St. Michael’s projects. That would be most of the 920 target in the plan. The plan will be reviewed in 2005. So they should be able to meet the 920 unit target in the plan” (LA2).

In contrast, the consensus in the other discussion group was that the sector would not meet government output targets, although no explanations were offered.

5.4 HOUSING MANAGEMENT

Local-authority officials generally seemed to have few concerns regarding the standard of housing management provided by housing associations. This topic generated relatively little debate in the interviews and discussion groups and the respondents seemed largely unable to cite examples of either good or bad practice. Issues that were raised included the capacity of certain types of large association to manage their housing stocks efficiently and effectively and the implications of the lack of a right to buy. Perhaps the relative lack of concerns can be attributed to the limited interaction between local authorities and housing associations regarding management issues and an almost complete lack of monitoring.

Some respondents were keen to point out that housing associations are not necessarily better at managing their housing stocks than the local authorities as many have yet to stand the test of time:

“They are subject to the same weaknesses as we are, staff turnover and all the rest, which leads to weaknesses” (NHP1).
"The problem is that they haven’t proven themselves yet and they may have the same problems as us. It’s down to proper management for either housing associations or the council. Is the management and maintenance allowance enough to enable good maintenance?" (L.A1).

Despite their apparent lack of information, there was a strong perception among local-authority officials that housing management presents less of a challenge to housing associations than it does to the local authorities. This was one of the topics that generated most debate in the discussion groups. It was argued that housing associations can be more selective about to whom they allocate tenancies, they can evict tenants more readily and they have access to funding to provide communal facilities, promoting good housing management.

5.4.1 Limited Interaction

The officials that participated in the research gave the impression that local authorities have a relatively limited knowledge of how housing associations go about managing their housing stocks. This can be attributed to the generally low levels of interaction between the local authorities and housing associations following the completion and initial allocation of a voluntary-housing project. Once the tenants have moved into a new housing project, the association’s management practices only seem to come to the attention of the relevant local authority should problems arise. In response to a question regarding how much contact the local authorities have with housing associations following the completion of a scheme, one discussion group agreed that there was very little contact, for example:

“No contact really” (NHP1).

“Generally weak really” (NHP1).

“They may consult if there are vacancies” (NHP1).

The generally low levels of interaction between housing associations and local authorities following the completion of a voluntary-housing project stands in marked contrast to the relatively close contact maintained during the development process. However, it is important to note that separate sections within local-authority housing departments generally deal with the construction and the allocation of social-rented housing. As the majority of the local-authority officials who participated in the research seemed to be involved in development, it is possible that there was a lack of awareness among the respondents regarding the practices of other sections.
5.4.2 Allocation of Tenancies

Much of the limited liaison that takes place regarding housing management issues occurs at the initial allocations stage, beginning when a project is nearing completion. Even at this stage, the amount of interaction seemed to vary considerably between the different local authorities. Some authorities indicated that they had little input at this stage and that housing associations simply fulfil the requirements of the funding schemes by allocating the required proportion of tenancies to households on the waiting list. However, others claimed to liaise closely with housing associations regarding allocations:

"...smaller, local groups would liaise very closely with us and listen to our views on who was a priority. We only have one scheme built by a larger housing association...and in fairness they did liaise with us" (NHP2).

There was a misguided general consensus among the discussion-group participants that housing associations are not required to consult with the local authority regarding the subsequent allocation of casual vacancies. However, variation in the practices of different local authorities was apparent. Although one interviewee emphasised the importance of maintaining contact regarding casual vacancies, this was considered one of this city council’s biggest weaknesses and moves had been taken to address the situation:

"Dealing with vacancies, is one of our biggest weakness. Some of them have problems with this because they’re strapped for resources. They’re the ones we have to check out, it’s critical to have contact regarding vacancies" (LA1).

Some discussion-group participants expressed similar concerns regarding the level of consultation at this stage. It was felt that a tendency exists, particularly among smaller associations, to allocate casual vacancies without consultation:

"With the small housing associations, it’s when they have a vacancy they will have someone slipped in. But they’re good at the start" (NHP2).

In contrast, other respondents felt that consultation was satisfactory, albeit that this was attributed to declining motivation on the part of board members in one case:

"I’ve found the opposite. As their motivation wanes, they’re glad to consult with ourselves. The people on the committee don’t want the responsibility any more" (NHP2).

"We find that they do consult though. And I find the one or two schemes we have are kept very well" (NHP1).

‘Cherry-Picking’

A widely-held belief among local-authority officials, that housing associations are highly selective regarding whom they will house, emerged as the issue contributing most to the
perception that housing management presents less of a challenge to housing associations than it does to the local authorities. The 'cherry-picking' of tenants was identified as a key issue by the participants of both discussion groups at an early stage, without any prompting. It was felt that housing associations tend to allocate tenancies only to households that seem less likely to engage in anti-social behaviour or to get into arrears with their rent. It was argued that this selectivity in allocating tenancies facilitates housing management:

"Cherry-picking makes it a lot easier to manage a scheme, if you don’t take the tenants you don’t want" (NHP2).

"Cherry-picking tenants helps keep the estates well" (NHP1).

It was also argued that the cherry-picking of tenants is aided by the lack of the political pressure to house certain candidates to which local authorities are commonly subject:

"...they’re not subject to political representations to the same extent as us" (NHP1).

It was pointed out that housing associations are able to avoid housing certain client groups, such as travellers and immigrants, if they feel that catering for this group is beyond their aims or capabilities. This contrasts with the local authorities' obligation to cater for the full spectrum of households in housing need:

"If we’re providing housing, we have to cater for travellers and immigrants, which voluntary agencies don’t have to do" (NHP1).

This perception that housing associations cherry-pick their tenants seemed to have generated a certain amount of resentment among some local-authority officials. It was felt that the local authorities are left with the responsibility of housing the most vulnerable and potentially problematic households:

"What does happen is cherry-picking tenants and we’ll be left with all the tenants that may be anti-social or whatever" (NHP2).

"...they would mirror local authority developments and cherry-pick and by the time we get to completion the top thirty tenants have gone" (NHP1).

Although the view that housing associations cherry-pick their tenants was certainly very widespread, it was not universally held. In two cases, both city councils, it was pointed out that the cherry-picking of tenants can be prevented, as it can only take place when it is permitted by the local authority:

"I have to say in our case they’re not cherry-picking - or not let cherry-pick would be more accurate!" (NHP2).
"It may be seen as a fear. Some local authorities think that they cherry-pick and take the best tenants. But it comes back to us, we shouldn't give such a range of nominations. It comes back to early planning and getting an agreement" (LA1).

The latter city council made efforts to influence allocations from a very early stage, prior to the granting of funding approval. While the tenancies are not allocated to specific households at this stage, an agreement on the breakdown of the target client group to be housed is reached:

"Once the job is completed, we pass them on to the allocations branch. We say how many units there are and what breakdown of needs was agreed. Our role is the capital side, buildings, bricks-and-mortar. But we would be trying to influence allocations before the project is built, to get people off the list. We get agreement at that stage. If the costs exceed the limit, we can make a case to the DOE, but we can make the case on the basis that 100% of the tenants will come off the list. It makes more sense to have the list all together” (LA1).

5.4.3 Evictions

Another issue contributing to the perception that housing management presents less of a challenge to housing associations than it does to the local authorities was relative ease of eviction. It was felt that the option of evicting tenants in serious breach of their tenancy agreements is more readily available to housing associations, promoting the effective management of voluntary-housing projects.

“They're well able to manage them because they can turf them out” (NHP2).

It was argued that housing associations can evict tenants more readily because they do not have the same legal obligation to meet housing needs as the local authorities:

“The local authority has the ultimate responsibility to meet their need. If you evict them, they'll be back knocking on your door. Housing associations have no legal obligation to house someone if they don't want to. They can afford to be more ruthless” (NHP2).

5.4.4 Communal Facilities

In addition to the cherry-picking of tenants and relative ease of eviction, the availability of a communal facilities grant was the final issue compounding the widespread perception among local-authority officials that housing management presents less of a challenge to housing associations than it does to the local authorities. Although this issue attracted less comment than the first two issues, it was noted that housing associations have the advantage of being able to access funding to construct communal facilities as part of their housing projects, while local authorities do not have access to a similar funding scheme:
One local-authority official, who seemed to be particularly in favour of the voluntary-housing sector, stated that his county council always tried to include an element of voluntary housing as part of its housing schemes, partly in order to access the funding for the provision of a communal facility (NHP1).

5.4.5 Scale and Dispersion

The main concerns expressed by local-authority officials regarding the standard of housing management achieved by housing associations related to the scale and distribution of certain large associations' operations. A small number of large associations with high output operate on an almost nation-wide basis, with the result that their housing stocks are very widely distributed. A city-council interviewee, who was generally well disposed towards large associations, felt that it may prove inefficient to maintain such dispersed housing stocks. However, it was noted that much of the large associations' stock is relatively new, having been constructed under the LSS since 1991. She anticipated that these associations may have started to cluster their housing units around regional centres by the time serious maintenance issues arise:

“So the bigger ones probably have the capacity [to meet Government targets for the sector] but they're going to be all over the country. My worry is that it's not very efficient. But by the time the units need real maintenance, they may have clusters” (LA1).

The importance of providing a local, responsive, housing management service was highlighted in both discussion groups:

“They need to have their base locally. The vast majority of tenants want a hands-on service. Especially in the urban areas, I'm not sure about the rural areas but in the urban areas tenants have got used to this sort of service, where they can pick up the phone and report something broken and get an immediate response” (NHP2).

This respondent had experience of dealing with one large association, which had successfully provided this type of service, opening a regional office in the city in question. However, several participants in the other discussion group expressed concerns regarding the capacity of some of the large associations to deliver this type of housing management service. It was argued that the large housing associations are out-of-touch with local communities and too remote from their tenants:

“The big ones are businesses, they have lost the common touch and they're only dealing with the local authority rather than the community” (NHP1).
"They are far more remote" (NHP1).

"You get remote management from Dublin, Cork or a regional centre" (NHP1).

It was generally felt that the local authorities have a comparative advantage in this regard, as they have the benefit of local contacts, knowledge and information:

"The majority of housing associations wouldn’t have the local contacts, a local base of information, that would help you deal with problems" (NHP1).

"With local authorities you have the on-the-ground knowledge" (NHP1).

The capacity of large housing associations with dispersed stocks to deal effectively with thorny management issues was questioned. One discussion-group participant described an example of the management of a housing-association estate breaking down as a result of anti-social behaviour. The only large voluntary-housing project in this local-authority area, which was completed three years ago and comprised 53 units, had recently run into serious difficulties. It was argued that the association’s response to reports of anti-social behaviour on the part of one household was inadequate, resulting in the escalation of the problem. The communal facility had fallen into disuse and the tenants were requesting transfers to local-authority housing:

"A particular family in a particular apartment have been causing a huge amount of trouble. An elected representative has come to us and said that the residents now want out because the voluntary body is not dealing with the problem. The housing association concerned has held meetings and tenant training courses but it has made no difference. There were one or two small problems that probably weren’t addressed so people stopped going to these meetings. There was a very ugly incident with a house burnt out and a near-fatality" (NHP1).

However, this was the only concrete example of an incident of this kind to be brought up by participants in the discussion groups or interviews with local-authority officials. In any consideration of housing associations’ management performance, it is important to note that difficulties in dealing effectively with anti-social behaviour are not unique to housing associations. Particularly in recent years, the local authorities have been subject to increasing criticism of their own housing management record (see Section 2.3.2).

5.4.6 Right to Buy

Local-authority officials’ final concern regarding the management of housing-association properties was largely beyond the control of either the local authorities or housing associations. There was a widely-held view that the lack of a ‘right to buy’ for the tenants of housing-association properties, along similar lines to the Tenant Purchase Scheme for
local-authority tenants, would cause serious problems for the local authorities in the future. This issue was brought up by both discussion groups, without any prompting. Although it was noted that tenants are informed prior to accepting a tenancy that they would not be able to buy their home, it was argued that many people only accept housing-association tenancies because they are a low priority on the local-authority waiting list:

“But a lot said they were only taking it because they were so far down the list. They still would see a local authority house as a better bet in the long run because they can buy it out” (NHP1).

It was argued that most tenants would prefer a local-authority tenancy and that they will eventually wish to transfer to a local authority dwelling, to enable them to purchase their home:

“A problem with the voluntary sector is that tenants don’t have the opportunity to buy their houses. Tenants could have our houses or housing association houses but our tenants can buy their houses. We will have problems in the future with tenants wanting to transfer. They will have to get the opportunity to buy their houses out” (NHP2).

One local authority noted that there were already moves to give tenants the right to transfer from housing-association to local-authority properties, in order to facilitate tenant purchase:

“We have a motion from a councillor to re-write the letting priorities scheme, to give voluntary housing tenants the right to transfer so they will have the right to buy” (NHP1).

However, this was not such an important issue for certain city councils, as it is more usual to provide flats in inner-city areas. Local-authority tenants do not generally have a right to buy flats, so it does not make any difference if the landlord is a housing association:

“D. City Council is only building apartments now so there is no right-to-buy option anyway. So we probably got past that psychological barrier faster than other parts of the country” (LA1)

Moves towards extending the Tenant Purchase Scheme to the tenants of local-authority flats complexes in Dublin city (Dublin City Council, 2003) may serve to highlight the differential treatment of local-authority and housing-association tenants.

5.5 GOVERNANCE

The issue of housing-association governance attracted little comment from local-authority officials. Just one concern was raised, by an interviewee from a city council, regarding the capacity of small associations to sustain an effective board of directors. The example of a small association in Dublin was cited, where problems had arisen as a result of a gradual decline in the number of directors involved. It had failed to make adequate provision for
new directors to join the board and, as directors' involvement ceased, they were not replaced. There was just one active director remaining, who did not have a good grasp of the action required in order to manage the scheme properly:

"Although there was one that ran into difficulty. It was set up a long time ago, 20 or 25 years ago and now the board members have died-off or left. We're now left with a scheme that's not being managed properly. There's one person left who's interested but naïve in terms of what needs to be done. They never put anything in place for the replacement of board members. I foresee this as a big problem with all these little ones down the country. For example, in Limerick there's a huge number of small community organisations that are doing absolutely wonderful work. For example, Dromin-Athlacca...is being run by wonderful people in their forties. They have renovated an old creamery into units for elderly people. The problem I would foresee is that there is no provision for twenty years down the road when these people are in their sixties and no longer have the energy. They should be making some provision for new entrants to the board of management" (LAI).

This issue of ensuring the longevity of the board was highlighted as an important issue for the future of the sector, particularly with regard to small housing associations that are dependent on volunteers. However, the interviewee felt that housing associations are generally managing their housing stocks properly and that this example was the exception rather than the rule:

"...I wouldn't be suspicious because for the most part they are running well" (LAI)

5.6 PROFESSIONALISM

Some local-authority officials viewed large housing associations as being efficient, professional developers, while it was argued that smaller associations experience difficulties during the development process as a result of a lack of expertise and experience. One interviewee from a city council which primarily deals with large associations held a particularly strong view on this issue. It was argued that small- and medium-sized associations experience difficulties as a result of inadequate resources to cover professional advice, together with a lack of awareness among their staff of basic requirements that must be fulfilled by developers, such as site insurance and hoarding licenses:

"The bigger ones are like miniature professional housing authorities. They are able to draw on legal people, q.s., and so on, they're probably much more efficient. But the smaller ones don't have the expertise and run into difficulties all the time. They forget basic things like having site insurance and a hoarding license. If they have a clerk-of-works, he will make sure they have a hoarding license and that it's put up properly. But the smaller ones like Sonas and H.A.I.L don't have the resources to include it in the funding application. But it's a lack of knowing what should be included as well" (LAI).
The two medium-sized associations in question both employ a professional workforce. However, they are special-needs organisations and their staff primarily specialise in housing management and support services. The interviewee felt that their strengths lie in these areas, while their skills in the field of housing development are unlikely to improve:

"Actually, I think they’ll get worse. If you’re in there playing with the big boys, you have to have the wherewithal to deal with them. Sonas are wonderful and meet a need and they’re very good at the follow-on. But capital side will always be a problem. They should admit that they can’t do it and get NABCo to do it for them. They are wasting a lot of resources and our resources chasing up basic day-to-day things that haven’t been done. Like who’s in charge of site supervision. On one occasion, they hadn’t given anyone a key to get on to the site and we had people ringing us here looking for it. They were supposed to be starting work that day but they hadn’t organised site supervision for the workmen to get on-site. I think they have to bite the bullet and say we’re not going to develop any more. Once the relationship is there with the local authority, they can do it quite easily with a large housing association or even the local authority" (LAI).

Most of the participants in the first discussion group concurred that many of the smaller associations do seem to experience problems during the development process:

"A lot of small ones have difficulties" (NHP1).

"The smaller ones would almost expect the local authority to do the job for them" (NHP1).

In both cases, it was noted that this problem is sometimes overcome through the formation of partnerships between the small volunteer-based housing associations and the large associations with more development expertise:

"We’re dealing with a few small ones at the moment who are getting a big one to do it for them" (NHP1).

In the case of the most critical interviewee, this option was actively being encouraged by the city council as it is considered more efficient:

"Sometimes there are partnerships with special needs organisations, like NABCo and HAIL, in large projects. We tell them to form a partnership. It’s a much easier option for the likes of Sonas and HAIL so we’re trying to encourage it and most associations wouldn’t have a problem with that but it has to be stated every time" (LAI).

However, this view was certainly not universally held. For instance, the county-council interviewee was not aware of smaller associations experiencing any difficulties due to a lack of expertise or experience in the development process (LA2). An engineer disagreed with the other participants in the first discussion group, arguing that the smaller associations have professional representatives who provide good professional advice:

"From a technical viewpoint, I have only dealt with their professional representatives - architects and q.s. and these people are very far removed from the voluntary set-ups you are describing and the larger ones have their own design teams" (NHP1).
Furthermore, none of the participants in the second discussion group had experience of small housing associations running into difficulties as a result of a lack of expertise or experience. It was argued that good advice and guidance is available from the local authorities and their own design teams:

“No, they usually come for advice and they usually have local guidance and advice from an architect” (NHP2).

An important issue with regard to the local authorities’ ability to provide this advice and guidance to housing associations is the high turnover of staff in local-authority housing departments, which may result in a lack of familiarity with the funding schemes. This issue of staff turnover only arose in one interview. The respondent felt that, prior to about 2000, there had been a high level of staff turnover. In her own case, there had been no hand-over period, which had created difficulties not only for the respondent but also for housing associations:

“I’d be here almost two years. Prior to that, the person doing my job left and that was a problem for me because there was no hand-over period and it was a problem for the housing associations as well. But now they’ve had almost two years of dealing with the same person. But up to a couple of years ago there would have been a lot of turnover, especially in the Loans and Grants Section. I generally deal with them through here but for the management and maintenance allowance and things like that, other sections would have a small amount of dealings with them” (LA2).

5.7 HOUSING ASSOCIATIONS AS A THREAT

Some local authorities clearly perceived housing associations, particularly those with substantial development programmes, as a threat to their traditional remit as the prime providers of mainstream social housing. There seemed to be a fear that these larger associations will undermine the local authorities’ current position in the housing market:

“There’s a feeling in W_ [county council] that the larger housing associations have a hidden agenda and they want to take over the housing market. We should be the primary housing providers and we’re being squeezed out of it” (NHP2).

“The landlords of tomorrow, that’s what they’re describing themselves as” (NHP2).

However, this view was not shared by all of the local-authority officials that participated in the research. For instance, when an expansion of the role of housing associations to provide housing for low-income families was first mooted, it was regarded by the staff of one city council as a threat. This fear was based on a perception that there would be cherry-picking of tenants, exacerbating the city council’s housing management problems. However, the interviewee felt that this was probably no longer the case. Her own view was
that voluntary housing constitutes one solution among a range of social-housing options, which can be harnessed to address lengthening waiting lists and a lack of development land:

“It probably was seen as a threat initially. Fear, which was not justified in my opinion, that there will be cherry-picking and we will be left with the bottom of the barrel. But that’s not an argument, we should manage allocations better. That was the case but not now. Although maybe I’m not as privy to inherent objections because people know I’m positive about it. D. City Council has the responsibility to house the people on the waiting list. We have no land in suitable areas but there is more than one solution to a problem. One is voluntary housing, another is affordable housing and another is shared ownership. We should be enabling whatever means to do it and personally, I wouldn’t see them as a threat” (LA1).

A minority of local-authority officials expressed the view that housing associations fulfil a complementary role to that of the local authorities:

“They’re certainly not taking that role away from the council, they’re complementing it really” (LA2).

The strongest endorsement of the voluntary-housing sector was provided by a city-council interviewee, stating that its policy is not only to promote new housing association developments but also to transfer existing local authority stock to housing associations:

“Our stated policy is to reduce the number of estates managed by D. City Council and hand them over to be managed by housing associations” (LA1).

Thus, the local authorities varied considerably in how they perceive the voluntary-housing sector, in terms of whether they regard housing associations as a threat or an opportunity. A sizeable proportion of local-authority officials certainly seemed to harbour suspicion towards housing associations, which will clearly influence the future of the sector in those areas.

5.8 MONITORING AND REGULATION

5.8.1 The Role of the DOEHLG

The Voluntary and Co-operative Housing Unit has two key strategic functions; monitoring the voluntary housing programme and improving the funding schemes:

“...if you were to summarise the function of the unit in two lines, they would be: first, monitoring the programme in terms of the units approved and completed and also the funding. And second, the development role, trying to see if we can improve the schemes on an on-going basis and ensuring we have enough money to keep the thing going” (DOELG3).
However, the unit’s conception of monitoring was clearly limited to output and expenditure under the voluntary-housing programme, at a sectoral level:

“We try and make sure we get enough money to keep the schemes running, from this Department and the Department of Finance. So far, we’ve been fairly successful but the year ahead is always a dangerous one. We monitor starts and completions and the funding situation – whether there’ll be a surplus or a deficit” (DOELG3).

Thus, no monitoring or regulation of individual housing associations’ financial or housing management performance was taking place at central level. The distinct impression was given that the unit measures its success or failure in promoting the sector solely in terms of the annual output of the sector (DOELG3).

5.8.2 The Role of the Local Authorities

The Voluntary and Co-operative Housing Unit clearly viewed the monitoring of housing-association activities as the responsibility of the local authorities. The local authorities’ rights to inspect the revenue accounts for any housing project completed under the funding schemes and to be consulted regarding the allocation of tenancies were highlighted, together with their responsibility to ensure that each LSS housing project is being properly managed, prior to making the annual payment of the management and maintenance allowance:

“No, we don’t do any [monitoring]. Scheme management and maintenance is a matter for the local authority. For allocations, the voluntary bodies must co-operate with the local authority. The local authority is also entitled to ask for accounts for any estate to look at revenue. To get the management and maintenance allowance that is available under the LSS, the local authority has to say ‘that’s fine, the units are all let, you have the right people in them, the units are well maintained’. A body like Respond! won’t miss the chance to get the allowance. How many of them do it is another day’s work, we might look at it in the future. Under CAS, there’s no management and maintenance allowance. If there were any complaints they would go to the local authority. There’s an issue there, we might come to it later on” (DOELG3).

The DOEHLG representative suspected that not all local authorities are exercising their rights and responsibilities with regard to monitoring. This issue has largely been ignored to date, due to the Voluntary and Co-operative Housing Unit’s overwhelming focus on increasing output. However, the unit has tended to take the view that local knowledge often suffices:

“If local authorities don’t look at what they’re saying, they make themselves liable. Sometimes they’ll know it’s fine and inspection is not necessary, you’ll see empty houses and bad maintenance just from passing by the estate” (DOELG3).
Records of Tenants

Once voluntary-housing projects have been completed and the tenancies allocated, there appeared to be very little interaction between local authorities and housing associations. Some authorities required housing associations to submit up-to-date details of their tenants on an annual basis, in order to confirm their eligibility for housing under the terms and conditions of the funding schemes. This was particularly true of authorities accustomed to dealing with associations managing LSS projects. According to one interviewee, most contact with housing associations after the initial allocations stage is in connection with the payment of the LSS management and maintenance allowance. This local authority aimed to ensure that all of the tenants housed by associations in receipt of this allowance are in fact eligible to be housed. However, the city council in question was lagging behind in this regard, although steps had been taken to rectify the situation:

“We would in relation to the management and maintenance allowance. We make sure people are eligible for voluntary housing. The housing associations submit a tenant list with details of income and so on. That’s in theory but in practice we’re years behind so we’re tackling that now” (LA1).

Only a limited number of the local authorities represented by the discussion-group participants kept records of housing-association tenants. These authorities seemed to rely very much on the goodwill of the relevant associations and it was remarked that they are generally co-operative in this regard:

“They’re usually fair enough. People like Respond! Respond! come back to us all the time, they’re very good that way. And a couple of small groups seemed to link up with Respond!" (NHP2).

“If a housing association purchased ten houses, we would request them to send in details of the tenants as allocated and then if they change as well” (LA2).

However, most of the discussion-group participants indicated that up-to-date records of the tenants housed by associations in their areas are not kept.

Annual Inspections

A minority of local authorities inspected the housing projects under management by housing associations, in order to confirm that the units are occupied, that the submitted details of tenants are correct, that the tenants are eligible to be housed, and that the properties are being kept in a good state of repair. These measures seemed more likely to be implemented in the case of housing units constructed under the LSS, in respect of which the management and maintenance allowance is payable. An interviewee noted that these
inspections provide a safeguard against associations breaking the terms and conditions of the funding schemes:

“For organisations claiming the management and maintenance allowance, we would check that the people housed are eligible to be housed. That’s it apart from the annual inspection, where we’re just checking the unit is occupied and the people that they say live there do live there. Our inspector has been doing it from the beginning so he is familiar with all the schemes. For example, there are two CAS buildings that the Sisters of Charity had sold-off and then they were very annoyed when we told them that they would have to pay it back. But the sale hadn’t been completed. The inspections stop things like that happening” (LA1).

In another case, spot-checks of the tenants housed were undertaken each year, for auditing purposes. It was remarked that associations are very co-operative in this regard:

“We do a tenant spot check, that’s required by our auditor and we got a lot of co-operation on that. A couple of years ago, the Department did a spot-check as well” (NHP2).

However, annual inspections of housing-association properties did not generally seem to take place, as these were the only two instances cited by the respondents. It generally seemed to be assumed that housing associations were doing a good job and that any problems would eventually be reported to the local authority:

“... I wouldn’t arrange and carry out inspections. The associations we would be dealing with now would have a long history of experience in the sector. But we do have inspectors, so if there were any concerns they would carry it out. But I haven’t come across it” (LA2).

Thus, very little monitoring of housing associations’ activities seemed to take place, in terms of either gathering details of tenancies or undertaking inspections. The limited amount of monitoring that was undertaken by the local authorities was for the purpose of satisfying the requirements applicable to the payment of the management and maintenance allowance under the LSS or compliance with auditors’ requirements. There certainly did not seem to be any systematic attempt to gather the kinds of information that would enable a meaningful evaluation of housing associations’ management performance.

5.8.3 Moves Towards a New System of Monitoring

The issue of the monitoring and / or regulation of housing associations will clearly become more topical over the coming years, as the voluntary-housing stock grows and ages. Concerns at central level regarding the extent to which the local authorities exercise their existing powers to monitor housing associations have led the DOEHLG representative to conclude that a new system of monitoring is required, in order to safeguard substantial public expenditure on voluntary housing:
"In future, there will have to be regulation but whatever form that is going to take, I can't say. They are getting huge capital sums - more than the local authorities and they're regulated! They do submit returns to the Companies Office...Initially we were not too bothered, we just wanted to get it going. But it only takes one cowboy going in there to get the whole thing a bad name. If a voluntary body goes bust, it will come back to the State, they're liable not the ICSH. We're talking about an auditor looking at the books. I don't think the local authorities are doing it, they can't cope at the moment and they're not watching the accounts as closely as possible" (DOELG3).

Details of any new system of monitoring remain undecided. However, it will probably be undertaken under the auspices of the DOEHLG rather than being entrusted to the local authorities. The focus will probably be on housing associations' financial affairs rather than housing management performance, taking the form of spot checks of accounts:

"The Local Government Auditors currently stop at local authority level but they could extend to look at housing associations as well. We have the power to get the accounts of approved bodies but there's no-one to look at it [in the Voluntary and Co-operative Housing Unit]. I wouldn't be able to, no-one in here would understand accounts, you need accountants. The auditors are not going to go around all of the time but they would be there! Only 100 organisations are really active, if that" (DOELG3).

The new system of monitoring will probably be introduced by the end of 2004 and the likelihood of this taking place has been mentioned to the Working Group on Voluntary and Co-operative Housing. However, any increased monitoring is likely to cause conflict with both the voluntary-housing sector and the local authorities. The respondent from the DOEHLG felt that the voluntary-housing sector is opposed to monitoring for several reasons. Housing associations are afraid that monitoring will entail a huge administrative burden, as does the heavily regulated system that is in place in Northern Ireland. Furthermore, it was argued that the voluntary-housing movement is resisting any moves towards increased regulation because of its very independent nature:

"The voluntary bodies are afraid of the level of form-filling that regulation would entail, like they have in the North. But huge resources are being put in and it's state funding...I said it to the Working Group but B_[General Secretary, NABCo] didn't want it. They have this huge independent streak and every one of them thinks different and that's where this comes from" (DOELG3).

Neither of the two local-authority interviewees seemed to be opposed to the introduction of a new system of monitoring but they expressed a preference for any monitoring taking place at the local level, arguing that additional resources should be made available for this purpose:

"I would prefer local level regulation, I'm a great believer in us keeping control. It's similar to the sites, where we're regulating scheme by scheme. The hindrance would be resources. If they were made available, we would be able to regulate" (LA1).
5.9 DISCUSSION

The local-authority officials that participated in the research highlighted several practical problems with the operation of the funding schemes that have inhibited the growth of the sector. These problems included a lack of funding to enable the prompt payment of design fees, delays in obtaining DOEHLG approval of proposed voluntary-housing projects, unnecessary duplication of work under the dual approval system, difficulties in obtaining funding from several agencies for mixed-use projects and the lack of a right to buy housing-association properties. Most of these issues were also raised by the housing associations interviewed. A minority of local authorities had introduced limited measures to ameliorate some of these problems with the operation of the funding schemes. However, responsibility for their resolution lies with the DOEHLG, as changing the terms and conditions of the funding schemes is beyond the remit of the local authorities.

In addition to the provision of a favourable funding environment by the DOEHLG, it was clear from the literature that the attitudes of local-authority officials towards housing associations are of crucial importance in achieving the expanded role for the voluntary-housing sector envisaged by the government (DOE, 1991b; DOE, 1995a). The success of a funding application under the voluntary-housing schemes largely depends on sympathetic treatment by the relevant local-authority official:

"There is a high level of dependence by housing associations on individual officers in the local authorities, who may have several other responsibilities, to respond to applications in a supportive, favourable and speedy manner... Experience indicates that approval and sanction of capital funding for housing projects may take from three months to over a year. The procedures are widely seen as unpredictable, even when there is a minimum of queries" (ICSH, 1999).

If local-authority staff perceive housing associations in a negative light, it is unlikely that they will be predisposed to fulfilling the enabling, facilitative role required for the successful completion of housing-association projects. Conversely, if they are supportive of the sector, it is more likely that applications will be considered favourably.

This research has shown that the treatment of housing associations has varied both between local authorities and within the same authority over time. This may be at least partly attributed to the enormous variation in local-authority officials' attitudes towards the voluntary-housing sector that existed. Considerable evidence was found in support of suggestions arising from previous research that local authorities tend to view housing
associations as a threat to their traditional remit as the primary providers of social housing (O'Sullivan, 1998b) and as unprofessional and unskilled (Brooke, 2001).

The weight of evidence showed that officials generally felt that housing associations failed to recognise the local authorities' strategic and technical role in the planning of voluntary-housing projects, with inadequate consultation during the site acquisition and design processes. Relatively few concerns regarding associations' housing management performance seemed to exist, although the local authorities' knowledge may have been limited by virtue of the limited interaction with housing associations that seemed to take place following the completion of a housing project and the initial allocations process. Virtually no systematic monitoring of housing-association operations seems to be undertaken at either central or local level. Nevertheless, there was widespread resentment among local-authority officials of the advantages that housing associations were perceived to enjoy, including 'cherry-picking' tenants, relative ease of eviction and access to funding for the provision of communal facilities. There was a strong perception that housing management poses less of a challenge to housing associations than it does to the local authorities. However, these views were by no means universal and a variety of viewpoints was articulated.

Reflecting the diversity of the voluntary-housing sector, respondents often qualified their comments, differentiating between various types of housing association. A minority of associations with large housing stocks and nation-wide development programmes was perceived in quite a different light to the more numerous small, community-based associations. Large associations were widely viewed as efficient, professional housing developers, although doubts were expressed regarding the efficiency and effectiveness of the housing management operations of those with widely dispersed housing stocks. Opinion was more mixed regarding the development capabilities of smaller associations. There were not generally any concerns regarding small associations' housing management performance but apprehension was expressed in some quarters regarding the long-term viability of small associations that rely solely on volunteers. Despite this, large associations with substantial development programmes were generally viewed in a very negative light, while opposition to small, community-based associations was rare. A strong bias towards local housing associations with small-scale operations seemed to exist. This could reasonably be attributed to the fact that the most rapidly expanding section of the voluntary-housing sector comprises a handful of large associations, which specialise in
housing low-income families and have substantial building programmes. Thus, any threat to the local authorities’ traditional remit is derived from these ‘landlords of tomorrow’.

In the context of the serious reservations about housing associations expressed by many local-authority officials, it seems probable that the expansion of the housing-association sector envisaged by central government has been hindered to some extent by negative local-authority perceptions. Most local authorities did not seem to have embraced the enabling role expected of them. Just a few authorities had accepted the view of central government that housing associations complement local-authority provision, providing an opportunity to increase and diversify the social-rented housing stock.

One solution to the issue of negative local-authority perceptions of the sector would be to modify the institutional framework within which housing associations operate by taking the local authorities out of the equation. Allowing housing associations to have direct access to the Housing Finance Agency (HFA) for funding has long been mooted but the requisite EU approval is pending. This would enable associations approved by the HFA to by-pass the local authority to a certain extent, with regard to funding approval and drawing down payments. However, the co-operation of the relevant local authority will still be important with regard to establishing the need for a proposed housing project and acquiring sites. In any case, only a small number of larger associations with high output levels are expected to avail of the new arrangements. A more radical solution, which does not seem to be on the political agenda, would be the establishment of a centralised agency, along similar lines to the Housing Corporation in the UK, with responsibility for promoting the sector, administering the funding schemes and monitoring housing associations. Such a state agency could even be given the same powers of land acquisition and compulsory purchase as the local authorities.

If the expansion of the voluntary-housing sector within the current institutional framework is to be successful, local-authority officials’ concerns, many of which may be well-founded, must be addressed. The current lack of monitoring of housing associations at either local or central government level makes it very difficult to assess whether or not there is any real basis for many of the issues raised. Local authorities are currently expected to make decisions with respect to large sums of public money within a virtual information vacuum. The systematic collection and analysis of data on the characteristics
and performance of housing associations would allay some local-authority concerns and highlight areas requiring remedial measures.
CHAPTER 6. APPROACHES TO HOUSING DEVELOPMENT

6.1 INTRODUCTION

The realisation of the government’s aim of substantially expanding the role of housing associations in the provision of social-rented housing largely depends on achieving a substantial increase in voluntary-housing output. The literature review showed that problems with the operation of the funding schemes, relating to the availability of seed funding, land, capital funding, revenue funding and local-authority assistance, may act as barriers to development (see Section 2.4). This research has shown that negative perceptions of housing associations were quite widespread among local-authority officials, probably affecting the manner in which their responsibility to administer the voluntary-housing funding schemes is discharged and creating a further barrier to development. Local-authority officials had several specific concerns regarding housing associations’ approaches to development, contributing to their negative attitude towards the sector. Although large associations were almost universally viewed as professional, efficient developers, opinion was more mixed about the capabilities of small, community-based associations. Furthermore, there was a widely-held view that housing associations generally fail to recognise the local authorities’ strategic and technical role in the planning of voluntary-housing projects, with inadequate consultation during the site acquisition and design processes (see Section 5.3).

Drawing on in-depth interviews with representatives of thirty associations, this chapter examines housing associations’ approaches to increasing their housing stocks and explores the reasons for the limited success of the government’s strategy. The development process is divided into five key stages for the purpose of this discussion; identifying a need for the proposed housing project in the locality, acquiring a suitable site, designing the housing project and obtaining planning permission, obtaining funding approval and drawing-down payments under the funding schemes and constructing the project.

The topic is addressed under the headings of large-, medium- and small-sized housing associations. This was the most logical way of organising the analysis as most similarities appeared to exist between associations with similarly sized housing stocks, rather than between associations grouped by any other differentiating characteristic, such as the age of
the association or its target client group. This discussion tends to be more generalised with regard to the larger housing associations as their high output levels made it impossible to obtain and analyse detailed information on each individual development undertaken. In contrast, it was possible to build up a much more detailed picture of how the small- and medium-sized associations that participated in the research developed each of their housing projects.

6.2 IDENTIFICATION OF A HOUSING NEED

The catchment areas served by housing associations are discussed in this section, together with the factors influencing a decision to develop a housing project for a particular target client group in a specific area, prior to acquiring a site.

6.2.1 Large Housing Associations

The extent of the potential catchment areas of the six large associations included in the research varied considerably. Two were very flexible regarding the distribution of their housing stocks and operated on a practically nation-wide basis. Both catered mainly for low-income families (LHA2, LHA3). Just one large association, a provider of homeless services, had a regional focus having recently expanded its catchment area beyond Dublin to include other cities in the south-east (LHA5). The three remaining associations were all Dublin-focused so they had more specific catchment areas. Two had nineteenth-century origins, one of which catered exclusively for homeless youths and adults (LHA6) while the second catered for a mix of low-income families and single people, homeless people and the elderly (LHA4). These well-established associations did not intend to extend much beyond their traditional Dublin bases, although one had begun developing on the periphery in Fingal. The third Dublin-based association catered mainly for low-income families, through rental housing co-operatives. This organisation was also the national representative body for building co-operatives, providing advice and assistance to affiliated home-ownership and rental housing co-operatives throughout the country (LHA1). Overall, large associations had by far the biggest catchment areas. Within these catchment areas, local housing needs, local-authority and health-board priorities, suitable development opportunities and management implications all emerged as important factors influencing large associations’ decisions regarding the location of new housing projects.
Just one large association, which catered exclusively for homeless people, seemed to engage in detailed research prior to site acquisition:

“...All of our development work has to start with research. You might have a great idea but that’s not sufficient. You need to find out what the baseline is...The S_ [housing association] is not about just building nice buildings, we needed to know if people need the service. So the research is critical” (LHA6).

This research on local housing needs, which included the services and length of tenancy required by the target client group, informed the design process. Although some had been established on the basis of research into the extent of different types of housing need (LHA3a, LHA5), this was the only example of a large association emphasising the importance of research prior to acquiring the site for each new housing project.

Local knowledge sometimes substituted for research, where an association had a relatively small catchment area and defined target client group. Another provider of homeless services felt it had sufficient independent knowledge of housing needs in Dublin to proceed with projects. However, when it began to develop in other cities, the relevant health boards and local authorities were consulted regarding local housing needs (LHA5).

Consultation with the relevant local authority regarding the need for social housing in particular areas seemed usual. Several large associations seemed to rely on their own expertise, together with the local authorities’ judgement, rather than undertaking research on local housing needs:

“We talk about those [local-authority] waiting lists as being the gateway, we don’t do up our own waiting lists. So, we have a very good idea of what kind of need is represented or reflected on those housing waiting lists” (LHA1).

This picture of consultation with the local authorities regarding the need for proposed projects contrasted with the view of most local-authority officials, who felt that large associations in particular did not take the local authorities’ strategic role seriously (see Chapter 5).

Reflecting the flexibility of several large associations with regard to location, suitable development opportunities, generally arising through a local authority or developer, seemed the most important determinant of their location decisions rather than any detailed assessment of local housing needs. This was perhaps not surprising in the context of the increased competition for land that has accompanied the housing boom of recent years. For
instance, an old, Dublin-based association had opted to undertake several new projects in partnership with the local authorities and under Part V, rather than trying to acquire sites itself:

"We take every opportunity that comes to us. We really don’t have to go and look for work. A lot of proposals and projects are coming to us. We have the target of doubling in size in ten years" (LHA4).

The logistics of managing a dispersed housing stock also seemed to be an important factor in location decisions, particularly for associations with very large catchment areas. Confirming the suspicions of local-authority officials (see Chapter 5), the geographic dispersion of housing projects had presented management problems to the two large-scale providers of family-type housing on a nation-wide basis (LHA2, LHA3). Both had adopted regionalised structures and were striving to cluster their housing stocks within these regions:

"Initially we went where development opportunities arose and now we’re clustering. Again, it’s about sustainability” (LHA2a).

Consequently, parts of the country which were more remote from these associations’ regional offices, such as Donegal, had been ‘red-lined’ by the largest associations (LHA2b, LHA3a). An association with a regional catchment area, which catered exclusively for homeless people, had taken a similar decision to cluster its housing projects, prior to expanding much beyond its Dublin base:

"We are taking a strategic view and focusing on the South East and the major urban centres, not Sligo or Galway” (LHA5).

However, this issue did not arise in the case of the three remaining large associations, as they did not envisage expansion beyond Dublin, despite ambitious output targets (LHA1, LHA4, LHA6). One expressed a certain degree of antipathy towards large associations with dispersed housing stocks:

"We don’t see any purpose in the national association owning houses around the country. Or if so, it would only be on a very temporary basis, maybe in terms of acquiring land or something, you know...we’re not working according to a model that a couple of the housing associations appear to be doing, which is to have, as far as I can see, some of them seem to want to be landlords in Cork...as well as in West Kerry as well as in Waterford, or wherever” (LHA1).

Finally, prospective tenants’ preferences did not emerge as a factor influencing large associations’ location decisions. Consultation with the future tenants was largely precluded by the long development timeframe, as tenancies were not generally allocated until projects neared completion. In spite of the ethos of mutuality and self-help associated with co-operative movement, this was also true of a large housing co-operative. This association
had decided about ten years previously to start to bring forward housing projects, rather than waiting to be approached by prospective tenant-members (LHA1).

6.2.2 Medium-Sized Housing Associations

The catchment areas of the eight medium-sized associations that participated in the research tended to be comparable or slightly smaller than was the case for larger associations. None operated on a nation-wide scale, although one did aim to become a regional provider, catering for low-income families in the east and north of the country (MHA2). Most had city-wide catchment areas and catered for special-needs groups. Three Dublin-based associations catered for mentally ill people (MHA1), the homeless (MHA6) and the elderly (MHA3), while two Cork-based associations catered for the homeless (MHA8) and the elderly (MHA4a). A Waterford-based association with sixteenth-century origins also catered for the elderly (MHA5). Just one medium-sized association was located in a town, forming part of a network of small- and medium-sized associations in south-east Kildare (MHA7). None of the medium-sized associations was based in a rural location.

Three medium-sized associations did not have to make any decisions regarding the location of new projects as none of those catering for the elderly envisaged any future expansion of their housing stocks (MHA3, MHA4a and MHA5). These sheltered housing providers reported difficulties in securing sufficient revenue funding to run their existing accommodation and support services. Perhaps as a consequence, they were reluctant to increase their housing stocks to any great degree.

A wide range of factors influenced the remaining five medium-sized associations’ decisions regarding the location of new housing projects, including research, excess demand for existing accommodation, local-authority priorities, prospective tenants’ preferences, organisational capacity and intra-organisational politics.

Only one association researched its target client group’s housing and support needs, prior to undertaking new developments. This provider of homeless services recently undertook a survey of 210 homeless people regarding the type of accommodation and level of support services they required. This association, which was piloting a detoxification unit and
planning a new ‘wet shelter’ for heavy drinkers and an emergency shelter for drug-users, emphasised the importance of ensuring that its services evolve to meet emerging needs:

“We’re here to meet whatever needs present themselves. We will change and develop different services. The nature of homeless services is being able to change and flag-up change and I think we are...We’ve had all of our services evaluated over the last two years and we looked at every service inside out, the structure of staffing and projects. It’s about maintaining that mental attitude that you can’t stand still. You have to ask is what you’re providing still relevant? We went from mostly males with alcohol addiction to younger people and drug addictions and many people with mental health needs” (MHA5).

Research was not deemed necessary by some respondents. It was argued that the need for increased provision was apparent from the high level of demand for existing accommodation, as shown by this example of an association catering for the elderly:

“At that time, there was such a glut of applications. They had cut down on geriatric beds in the mid- to late-eighties and there were a lot of violent attacks against old people around that time. There were a lot of applications from people who were reacting out of fear. So, we started looking for another premises here” (MHA4a).

Subject to the availability of suitable sites, local-authority priorities must be an important factor in determining the location of projects developed on land provided under the subsidised sites scheme (MHA1) or dwellings developed by the local authority for management by an association (MHA6).

The preferences of prospective tenants emerged as an important factor influencing one medium-sized association’s decisions regarding the location of new developments (MHA7). Characterised by a strong self-help ethos, this association was formed by a group of twelve prospective tenants under the leadership of a politician. Most of this group was housed in its first project and subsequent projects were developed in response to approaches from similar groups of prospective tenants.

Organisational capacity and intra-organisational politics also emerged as important factors in some associations’ location decisions. An association with aspirations to become a large-scale provider of housing for low-income families on a regional basis, seemed primarily concerned with the availability of capital funding, the capacity of the organisation and ensuring a sustainable rate of development:

“One to two projects a year is our aim, about twenty houses each year. 100 houses is our benchmark and we will reassess every 100 houses. That generates enough income for one worker. It depends on how buoyant the social housing market is. We will go on as long as they are willing to fund it” (MHA2).
However, the apparent assumption that there would be a need for any project developed may have been justified by the very high levels of housing need at the time of the interview, particularly in this association's catchment area of the eastern and northern counties.

Intra-organisational politics seemed to have been an important factor in the location decisions made by another association. This church-based charity described itself as the 'social arm' of the Methodist church in Dublin and the location of its sheltered housing projects for the elderly were heavily influenced by lobbying from the various congregations:

"I've a feeling there was a bit of diplomatic manouevering going on...In 1961, D [housing association] had been situated in George's Street and then it moved across the Liffey to Abbey Street into the premises of another Methodist Church. So they were looking at a place on the south-side as a sop to the south-side members so they were not going totally north-side. When Ailt an Oir was being viewed other sites were looked at and there was pressure going the other way, that really we should get a place on the north-side. But it was proximity and the support of the Dun Laoghaire congregation that salvaged it. The congregations on the north-side were dwindling so it was felt that it should go where the support-base was likely to be. There were also the economic factors that the site was reasonably priced for what it was. Now there's this place in Sandymount, we owe the north-side one now!" (MHA3).

6.2.3 Small Housing Associations

Considerable variation in the catchment areas of the sixteen small associations that participated in the research was observed. With notable exceptions, small associations tended to have the smallest catchment areas. Few operated on a city- or region-wide basis, with most catering for local housing needs in a town or village. Interestingly, two small associations aimed to become large-scale housing providers, operating on a nation-wide basis, though they were still at an early stage of development. One catered solely for low-income families and aimed to operate on a nation-wide scale along similar lines to some of the largest associations. Suitable sites were being sought in any county (SHA13). The other had been established by a large Northern Irish association that catered for a mix of special-needs groups and low-income households. Although this association was focusing on the border counties, it was willing to consider substantial development opportunities in any location (SHA12). Three small associations catered for a city and the surrounding region. One was Dublin-based and catered for women who were homeless as a result of domestic violence (SHA2), another was a co-operative catering for low-income families in Galway (SHA4) and the third was the sister of a medium-sized association and catered for the elderly in Cork (MHA4b). Although none operated on a regional scale, one small
association did cater for a larger area than just one town. Established by an integrated resource development company, it catered for nine rural parishes in south-east Galway (SHA10). The ten remaining associations were community-based and catered for local housing needs. Their catchment areas comprised the local town, including Carlow, Leixlip and Monasterevin (SHA3, SHA8, SHA11), or village (SHA1, SHA5a, SHA5b, SHA6, SHA7, SHA9a, SHA9b).

All but three of the small associations that participated in the research were community-based, focusing exclusively on meeting local housing needs. This local focus is illustrated by a Wexford association which was established by a community council and catered for the elderly and low-income families:

"We've forty [houses] planned actually...That's over five years or so. That will kind of take care of the needs of the village...We're a voluntary organisation, we're looking after our own people, you know what I mean. It's up to us, that's the problem" (SHA1).

Three small, community-based associations undertook research on local housing needs (MHA4b, SHA5a, SHA10). However, this research, which was sometimes undertaken for the purpose of accessing funding, was not always found particularly useful:

"In 1989 we went looking for properties. The DOE said we would have to prove there was a housing need so we got someone in to do a survey" (SHA5a).

"Before my time, they did a huge big needs analysis but to me, it wasn't worth the paper it was written on...The real way to see what the need is, is to build a few houses" (SHA10).

Local knowledge emerged as the most important factor influencing the location decisions of small, community-based associations. About half had developed just one housing project each. In these cases, the identification of a housing need among the target client group in the locality was often the original reason for establishing the housing association (MHA4b, SHA1, SHA5a, SHA7, SHA8, SHA9a):

"We were working on a gut feeling. We talked among ourselves about potential candidates" (SHA7).

"We saw a need. There were elderly people in rural parts of the parish and people living in town in bad circumstances" (SHA9a).

"I did because I was aware - it has happened in Kildare more than any other county - the lack of housing. Leixlip didn't have council houses, there hadn't been any new council houses built for over twenty years. Being a councillor, I had a lot of demands for houses" (SHA8).

Thus, the founders of housing associations often seemed to establish an association and proceed with its first project on the basis of local knowledge and first-hand observation of
the housing needs of the community, rather than research. These associations tended to view themselves as responsive to demand from the local community:

"The board monitors the existing housing and there is a waiting list. Pressure from the community would make them build" (SHA11).

Local knowledge seemed to be an effective tool in gauging demand for housing projects, as none of the small associations that participated in the research were experiencing any difficulties in letting their tenancies.

In contrast, the location decisions of the two non-community-based associations that aimed to become large-scale providers of mainstream social housing on a nation-wide basis did not seem to draw on either research or local knowledge (SHA12, SHA13). Development opportunities seemed to exert the most influence on these associations' location decisions, motivated by an imperative to build sufficiently large housing stocks to manage professionally in a sustainable manner. Again, the high levels of housing need at the time of these interviews may have justified the assumption that there would be a need for any project developed for low-income families.

As small associations were heavily dependent on the local authorities for access to land, the latter's priorities might be expected to have considerable bearing on the location of voluntary-housing projects. However, this was not the case, perhaps due to the local focus of many small, community-based associations, which tended to cater for just one town or village and its environs. Local-authority priorities were only reflected strongly in the location decisions of the minority of associations with more flexibility regarding location, such as a co-operative catering for low-income families throughout Galway city and county:

"We work through the Corporation, they tell us what we’re doing. We’re geared towards the west side of the city, not the east. But if we got something suitable, we would do it" (SHA4).

Surprisingly, local-authority priorities did not emerge as important factors in the location decisions of the two small associations that aimed to become large-scale housing providers on a nation-wide basis (SHA12, SHA13). Although both seemed keen to expand their housing stocks in almost any part of Ireland, neither had been very successful in acquiring sites through the local authorities, resulting in reliance on turn-key developments and private site acquisition.
Interestingly, several small, community-based associations did not seem particularly concerned about the manner in which an identified housing need was met, as long as a satisfactory outcome was achieved for the households concerned. The provision by another agency of the accommodation or service required was considered a successful outcome. For instance, Galway County Council developed a housing project, initially proposed by a housing association, as a mixed affordable and local-authority housing scheme. The respondent felt that this was a positive outcome as the families concerned had been housed without the association having to take responsibility for the difficulties associated with development and management (SHA10). Another association made proposals to Leitrim County Council regarding possible locations for local-authority housing, as an alternative to its unsuccessful voluntary-housing project for the elderly which had been refused planning permission. The same community care council had also proposed to build a new respite care centre. It was unable to secure funding but the proposal spurred the health board to build a mini-hospital so the required service was eventually provided in the area, which was considered a satisfactory outcome for the area:

“They [health board] had agreed to do it from government sources. They wanted to call it a mini-hospital and put it in Ballinamore, ten miles away, but it has exactly the same number of rooms. The plan was taken out of our hands but it was fully funded and only ten miles down the road. It was our business plan that started the ball rolling” (SHA6).

Thus, achieving the provision of the housing or support services needed locally seemed to be the primary objective of several small associations, while the ownership and control of the facilities provided were of secondary importance. A similar concern with achieving a positive outcome for prospective tenants was demonstrated by two small associations which tried to help people in housing need to gain access to local-authority housing, if the association was unable to house them itself. One community care council compiled and submitted to Leitrim County Council a list of elderly people in the locality in need of re-housing every year and helped prospective tenants to complete the application forms (SHA6). Another association co-operated with Galway County Council to run a housing advice service (SHA10). Further evidence that small associations are often driven by a desire to meet local housing and service needs rather than aspiring to build-up large housing stocks was provided by the attitudes expressed by a number of respondents regarding tenant purchase. Several associations catering for low-income families expressed the opinion that their tenants should have the same entitlement to purchase their houses as local-authority tenants (SHA1, SHA11, SHA12).
6.3 SITE ACQUISITION

Housing associations' approaches to site acquisition are discussed in this section. It is possible to avoid the site acquisition process through intensifying land-use at existing projects, purchasing either second-hand or newly-completed dwellings under the funding schemes or forging partnerships with larger associations. Otherwise, a variety of sources of land were utilised, including the local authorities, other public bodies, religious institutions, property developers and the private market.

6.3.1 Large Housing Associations

Although the local authorities seemed to be an important source of land for large associations, none was entirely dependent on them. All of the large associations that participated in the research acquired land through a combination of the local authorities and other sources.

Land-Use Intensification

One association avoided the difficulties associated with acquiring sites, through the intensification of land-use in its inner-city estates. This association managed several old housing projects in Dublin, mainly comprising nineteenth-century blocks of flats. Major refurbishment programmes were underway in three of its estates and as part of these programmes, an extra storey with a mansard roof was being added to several existing blocks (LHA4).

Local Authorities

The local authorities were an important source of development land for even the largest associations, as they tended to have insufficient resources to enable them to compete on the open market:

"Access to land depends on the local authority or other bodies because housing associations don't have the capacity to compete on the private market" (LHA2b).

Prior to the advent of the housing affordability crisis of the 1990s, it seemed to have been considerably easier to acquire sites through the local authorities. For example, the largest association in Ireland seemed to have enjoyed good relations with the local authorities from its establishment in the early 1980s. Prior to the introduction of the funding schemes, Waterford Corporation provided a subsidised site for its first housing project. The
subsequent expansion of the association to undertake developments throughout the country was initially driven by offers of sites from various local authorities (LHA3a). However, several large associations reported increasing difficulties in acquiring sites through the local authorities. According to a large housing co-operative, the subsidised sites scheme had operated well from its introduction in the early 1970s until the late 1990s but co-operatives have been unable to gain access to sufficient land under the scheme in recent years:

"We're alarmed at the difficulties facing us in terms of promoting co-operative housing effectively, by the failure of local authorities to designate more sites for co-operative housing and rapidly. Some local authorities seem to be quite paralysed at the moment" (LHA1).

Considerable variation between the different local authorities seemed to exist in terms of access to land. For instance, a provider of homeless services, which had acquired sites from various city councils, described most of them as helpful. However, it was felt that certain local authorities had wasted the association's time. In spite of expressing an interest in a project, these authorities were not forthcoming with sites or retracted offers of sites:

"The local authorities we have dealt with are Waterford City, Limerick City, Dublin City and Fingal. We found most of them favourable and helpful in some ways especially Dublin, Fingal and Waterford. Limerick has been less helpful in recent times, they have tried to give us dud sites and five years on we still have no proper site. They said they were buying a site and then they said not because there is a sitting tenant. But we had done plans for it and it was all a waste of time... You need to persist with them. For example, in Cork we were going to do a development and they're keen but five years later, they still have not come up with a site" (LHA5).

One respondent suggested that the difficulties of recent years may be attributed to the unintended competition for land that has arisen between the local authorities, voluntary housing associations and co-operatives, as a result of the simultaneous expansion of their building programmes:

"... in the area of land acquisition, not enough thought has been given to the fact that the local authorities need land for their building programmes. The arrival of an expanded voluntary housing association sector has put pressure on the subsidised sites scheme, which is the main source of land for the housing co-operatives so that's causing a problem. And in addition to that, the arrival of the Affordable Housing Scheme, whereby local authorities are to get houses built to be sold to modest-income earners, that in turn has increased the demand for their own land" (LHA1).

Although relatively unusual, certain local authorities sometimes opted to construct dwellings and then transfer ownership to a housing association. However, one respondent argued that this arrangement was not ideal as the quality of local-authority design and construction tended to be inferior:
“Local authorities can be quite careless sometimes, with payments, supervision, standard of construction... Some of the buildings they transfer to us are crap and their design is very poor. It’s often in-house design and it’s crap. Also supervision is very poor” (LHA2a).

A limited number of urban local authorities had transferred older estates for refurbishment and management by a housing association (see Figure 6.1 and Plate 6.1a). One large association, which had acquired several estates in this way, noted that these local authorities were acting out of self-interest as much as promoting voluntary housing. The housing association inherited continuing management issues, particularly when all of the tenants remained in-situ:

“Dublin City Council, Wexford County Council, they’re not that plentiful but there would be a number of others. Some are not altruistic entirely, like Dublin City Council with St. Joseph’s and Chapelizod. They were in the High Court with the residents so they said ‘you go in and if you can sort it out you can have the site’. You take a business decision on that... There was also Sligo, Banks Drive, which was problematic but successful. It can be more or less successful depending on the number of tenants you inherit. Ideally, you want vacant possession because you can change the culture more easily. With St. Joseph’s we had vacant possession because of construction problems. But that won’t happen again, they will ask us to factor in the problems and live with them” (LHA2a).

These transfers were generally restricted to a few ‘problem’ estates, which were posing serious management challenges to the local authority. A large co-operative was lobbying Dublin City Council for a wider application of this type of housing-stock transfer, which would enable the tenants of any block of local-authority flats to take advantage of the Tenant Purchase Scheme through a co-ownership model (LHA1). This lobbying may meet with some success, if Dublin City Council’s recent proposals to transfer flats complexes to housing associations are implemented (Dublin City Council, 2003).

Despite the undoubted importance of the local authorities as a source of building land for all housing associations, large associations seemed least dependent on them. They were not the sole source of land for any of the large associations that participated in the research, which tended to utilise a combination of sources of land, including religious institutions, property developers and the private market.

Religious Institutions

In spite of hopes that religious institutions would prove to be an important source of development land for the voluntary-housing sector, there was little evidence that this has been the case. Some large associations had benefited from the transfer of land from religious institutions on a very small scale. For instance, a large co-operative developed its first rental co-operative on land that was donated to the tenant-members by the local parish (LHA1). However, just one large association had benefited to any great extent from the
transfer of institutional lands. This association, which was established by a nun, had developed its three largest housing projects on institutional lands (see Plate 6.1b). Two convents in Dublin city-centre were acquired for refurbishment as apartments from the Sisters of Charity and the Presentation Sisters whose numbers were in decline, while a third convent with surrounding lands in Finglas was acquired from the Holy Faith Sisters (LHA5).

Property Developers

It was common for large associations to gain access, through various arrangements, to land in the ownership of for-profit property developers. With 'design-and-build' or 'turnkey' developments, the developer constructs a housing project for purchase by a housing association under the funding schemes. These arrangements can be attractive to property developers for several reasons:

“If you have a scheme of forty houses, by making a deal with a housing association, you get funding through the process. It’s less risky and also you don’t have the marketing costs and associated uncertainties...Negatively, they don’t have the opportunity for profiteering and making large profits” (LHA2a).

From the housing association’s point of view, the problems associated with acquiring land from a local authority or on the private market can be avoided. However, associations tend not to become involved in turnkey developments until planning permission has been granted, precluding input into the design process, while developers tend not to design with social housing in mind:

“Certainly, a lot of design-and-build, we would have been pioneers of it, here and S. [UK parent housing association] the same. The building industry has been quite slow to cop onto it. In the UK they come to you for your design guide and design with housing associations in mind. That hasn’t happened here” (LHA2a).

Large associations were also exploring the potential of Part V of the Planning and Development Act, 2000, whereby the local authority may acquire up to 20% of a private housing development for social housing. Dwellings or land acquired under Part V may be transferred to a housing association, subject to the agreement of the local authority. At the time of the interviews, the introduction of the Planning and Development Act, 2000 was still relatively recent. However, several respondents were very positive about the potential of the Part V provisions to ameliorate housing associations’ difficulties in accessing development land. By mid-2001, some large associations were already engaging in negotiations with developers and local authorities regarding Part V:
"I would also need to mention, of course, the provisions under the new Planning and Development Act, whereby up to 20% of dwelling units or sites would be allocated for social and affordable housing. We would anticipate of course that co-operative housing would be able to play a role in that regard. And already we’re involved in negotiating units on those sites" (LHA1).

By mid-2003, one of the large-scale providers of housing for low-income families on a nation-wide basis had submitted its first funding application for a Part V housing project to the DOELG, while several more had been submitted to the relevant local authorities:

"More developers are coming to us, through developers wanting to satisfy requirements under Part V. Our first Part V scheme has gone to DOELG and four or five have been submitted for funding approval. Some approach us because they prefer to deal with us than the local authority and some local authorities accept it and some don’t" (LHA2a).

Developers seemed to be proactive and did not simply rely on the local authorities to decide the tenure of the Part V component of their developments, although any proposals were subject to local-authority agreement. Even at this early stage, it was quite common for certain large associations to be approached by developers with a view to satisfying the requirements of Part V. It appeared that developers view voluntary housing as the more acceptable face of social housing, with a perception that prospective house purchasers prefer any social-rented housing to be managed by a housing association rather than the local authority. Three problems had emerged with regard to the operation of Part V, from the housing-association perspective. The public ‘image’ of the target client group was an important factor in determining an associations’ access to the Part V component of private residential developments. Neither of the large associations which catered exclusively for homeless people had been approached regarding the possibility of acquiring dwellings under Part V, one of which has attracted vociferous community opposition to some of its own proposals (LHA5, LHA6). The second problem related to a loss of control over the standard of design and construction, with important implications for the subsequent maintenance of the dwellings:

"We prefer to build ourselves because you can have control over the specifications used for construction with particular mind to maintenance issues down the track. The fabric must last or the housing association is quickly into major maintenance headaches if the quality isn’t good” (LHA4).

Finally, housing associations were being forced to reject properties, due to prohibitively expensive contracts for the management and maintenance of apartment blocks (LHA2b, LHA5):

"One of the problems with Part V schemes is the annual maintenance and service charges on apartments. If you have five or ten apartments within a block, the developer usually sets up a private company with a service charge of around €1,000 per annum. The tenants can’t afford it and C_ [housing association] doesn’t have the reserves, so we turn down the apartments…If
we do developments like that, we try to physically separate the apartment blocks, if it is separate we can physically take it on but, if not, we can’t” (LHA2b).

Private Market
Not all large associations purchased sites on the private market, preferring to acquire sites through the local authorities, developers or another source. Several felt that to do so would either be prohibitively expensive or unwise due to the unnecessary risk entailed:

“...there’s no money to land-bank, we would only buy or transfer land if a specific development is to go ahead. One of the major problems is keeping going” (LHA2b).

“We don’t buy land ourselves. Some housing associations do and I think it is a very risky endeavour. It’s a problem waiting to happen. This scheme was five years being developed, who’s going to pay interest charges for five years?” (LHA2a).

“No and we have no plans to. I wouldn’t recommend it. There’s no need because of the economic situation, tempered by funding availability” (LHA4).

However, some large associations did purchase sites on the private market. The oldest, which was established in 1878 and catered for the homeless in Dublin, seemed well-placed to compete for land on the private market. This association was part of an international religious organisation and was able to draw on considerable charitable funding. The site for one of this association’s recent developments was purchased on the open market for IR£300,000, with the cost of the site comprising the association’s contribution under the CAS (LHA6). By virtue of its age, this association also had the benefit of an old housing stock which was not subject to any of the terms and conditions attached to the funding schemes. Thus, this association was able to swap its old homeless shelter, which was in a bad state of repair, for a nearby site which was in the ownership of the Royal College of Surgeons:

“The York Street land was very expensive so we were able to get a good trade-off. That’s where the advisory board really came into play, they were able to get the best deal that we could” (LHA6).

This land was deemed to be the association’s contribution under the CAS and a new centre comprising 79 transitional flats was built in a prime city centre location. Thus, old associations generally seemed less constrained than the newer ones, as their housing stocks were generally not subject to the conditions attached to modern capital funding from the Exchequer. Nevertheless, several newer associations had also purchased land on the private market. Local-authority sites were increasingly being supplemented by land acquired on the private market, in the case of a large co-operative:

“In addition to that [subsidised sites] scheme, which is of crucial importance to co-operatives, we have been looking at the possibility at acquiring some of the land privately...And we have
already started to make moves, indeed we signed a large contract last week in the Dublin area to acquire land and indeed we acquired part of the land using that capital funding arrangement. So it may well be that in the future we will have to use the two prongs, acquiring land privately and under the subsidised sites scheme” (LHA1).

The largest association in Ireland, which was established in 1982, had a longer record of borrowing to finance site purchase. Its substantial public and private borrowings amounted to €30 million:

“We have raised loans on the open market to buy land. We have also got acquisition mortgages with the local authority, usually for joint ventures or integrated housing. Once it is planned and the developer is on-site, you go back to the local authority and get an acquisition mortgage usually and then it is subsumed…It’s available to all but a lot don’t even know about it. We were the first housing association to develop with it. We didn’t want to tell too many people about it because if you get too many on this boat, they might sink it! We now have €30 million in mortgages and we also still do use subsidised sites” (LHA3a).

In terms of the future development of the sector, this association seemed to be moving towards quite a different model of housing development to other associations. It was in the process of planning integrated housing schemes on very large sites, incorporating a mix of private, affordable and social housing:

“What we are looking at in more detail now is integrated housing developments. Where you get bigger sites and plan the whole site. Now we’re looking for maybe 35 acres and mix private, affordable and social housing. It’s better for everyone, especially children, if they’re growing-up in a mixed environment rather than in a segregated environment…we have several schemes in place for that now, we would build the whole lot” (LHA3a).

Thus, this association seemed poised to become a hybrid between a voluntary- and a private-sector property developer, reflecting the managing director’s emphasis on achieving balanced, socially mixed communities.

6.3.2 Medium-Sized Housing Associations

Although the local authorities were an important source of land for the medium-sized associations that participated in the research, none was entirely dependent on the local authorities. Although two associations had obtained all of their sites through the local authorities, they were exploring alternative sources of land. Most medium-sized associations acquired land through a combination of the local authorities and other sources, including other public bodies, religious institutions, property developers and the private market (MHA1, MHA2, MHA4a, MHA6, MHA7, MHA8). It was unusual for a medium-sized association to depend solely on sources other than the local authorities for site acquisition (MHA3, MHA5).
Purchase of Completed Dwellings
The acquisition and refurbishment of second-hand properties under the CAS was the primary method of acquiring dwellings adopted by two associations, avoiding the problems associated with site acquisition. Both respondents catered for tenants with special needs and expressed a preference for dispersed housing stocks, highlighting the need to avoid the stigmatisation and ghettoisation of their tenants; people with mental health difficulties (MHA1) and homeless people (MHA8). One of these associations, which catered for the homeless in Cork, was helped with the identification of suitable properties by a property developer on a voluntary basis:

“S. [housing association] has a guy who is in property development who keeps an eye out for suitable properties...He would know of properties coming up and whether they’re suitable. A lot of properties aren’t suitable, he would know what to look for and limit it to properties that would be suitable” (MHA8).

Land-Use Intensification
Two medium-sized associations were avoiding the potentially problematic site acquisition process through the re-development of their existing accommodation, with some increases in density. One was managing a sheltered housing complex for the elderly in Cork. An old convent, it had been refurbished under the CAS and opened in 1989 but no longer complied with health and safety regulations. The association had been unable to acquire another site to build a replacement. Consequently, the demolition and redevelopment of the existing facility was planned, entailing an increase in capacity from seventy to 100 bedrooms with a range of specialist units (see Plate 6.2a):

“This is an old convent, built 150 or 200 years ago. It doesn’t comply with the regulations...So we thought we would build on this house from the back of the site to the front and then knock the front, rather than pouring money into an unsuitable building. We’re planning independent units, a dementia unit and a homeless unit because they all have different needs and then a common resource unit” (MHA4a).

Similarly, a provider of homeless services was planning the extensive refurbishment and extension of its emergency shelter, which had been constructed under the CAS and opened in 1989. An additional ten dwellings were planned, together with the provision of several specialist units including a women’s unit, a ‘wet shelter’ for heavy drinkers and a detoxification unit:

“...the present building on Usher’s Island...was opened in 1989. We’re now in the business of refurbishing it and putting in better facilities, allowing key staff to work with them, not a concept that was in vogue at the time. And we’ll add on ten rooms, including a secure unit for women” (MHA6).
It is a matter of some concern that these properties, which were both funded under the CAS and opened in the late-1980s, were in need of replacement or complete refurbishment within fifteen years. It is difficult to ascertain whether this was as a result of poor design, inadequate funding for maintenance or simply poor management:

Partnerships With Larger Housing Associations

Forging partnerships with larger associations sometimes enabled medium-sized associations to avoid the site acquisition process. A provider of homeless services in Cork had recently formed a partnership with a large, nation-wide association. This association primarily catered for low-income families and preferred specialist organisations to manage any units allocated to tenants with special needs:

“We do work with Clúid and they offered us two or three places in a new estate in Cork. We also had a couple sharing in Charlemont Terrace who were re-housed by them in another part of the city” (MHA8).

However, partnerships of this kind can be problematic. An association, which aimed to become a large association operating on a regional scale, felt that competitiveness between providers of mainstream social-rented housing presented a barrier to the formation of partnerships:

“We’ve had small contact with Clúid Housing Association. I get the impression that the big boys look after themselves. I get the impression that they see us as competitors but I don’t know. We’ve attempted to talk but there’s been no great partnerships so far” (MHA2).

Another association’s first attempt to forge a partnership also had a negative outcome. A provider of homeless services in Dublin, this association felt its strength was delivering support services rather than construction. A partnership was formed with a new association from Northern Ireland to construct an apartment block. However, this partner was also collaborating with Dublin City Council to provide a wet shelter on the same street. Considerable local opposition to both projects arose and the medium-sized association felt that it was the ‘sacrificial lamb’:

“We were planning an apartment block up on James Street in Kilmainham. Dublin City Council said ‘Fine, no problem’ and then it seemed to change overnight. There was a new planner and they wanted to build a wet shelter in the area themselves and we were outmanoeuvred. There was local opposition to both. BIH Housing Association was going to manage the wet shelter and they were also contracted to construct ours. We felt we were shafted over it...This was our first partnership with BIH. We felt our core thing was delivering homeless services not providing bricks and mortar so if a housing association could provide maintenance and construction that would be ideal. I still feel it’s probably the best option” (MHA6).
Local Authorities

None of the medium-sized associations that participated in the research was entirely dependent on the local authorities for access to land. Nevertheless, they did emerge as an important source of sites. Two associations had obtained all of their sites to date through the local authorities but were exploring alternatives at the time of the interviews. For instance, one association had developed a total of 56 units in several counties since its establishment in 1992, with a further 43 units under construction. These sites had all been acquired under the subsidised sites scheme from the relevant local authority:

"Up to now, all of the sites have been under the subsidised sites scheme. They sell for about €100, a nominal price, it’s totally subsidised. There’s no problem with funding for land either, the local authority will wait. We have had good relations with all the local authorities and no great difficulties with the funding between the local authorities and the DOE" (MHA2).

A community-based association in a county Kildare town was similarly reliant on the local authority for land. This association had developed three housing projects, comprising 86 units, on land acquired at the nominal price of €100 per site under the subsidised sites scheme. From the beginning, Kildare County Council was open to making sites available, albeit sites for which there was little demand:

"...we identified twelve serviced sites in Kildare that had been developed under a private sites scheme, but they had never been taken up. The sites were there, the services were available but they hadn’t been sold. And we made some initial approaches to the local authority and I must say we were very well received. And they were supportive of the idea of making the sites available to us" (MHA7).

Another medium-sized association, which catered for people with mental health difficulties and had a preference for a dispersed housing stock, found the local authorities similarly helpful:

"...they would have sites that are available possibly under the subsidised sites scheme. Or they would identify in an area what sort of housing mix is going in: private, co-operative housing, local authority housing and then the housing associations. And we would be invited, you know, to see if we were interested in the site but they would know that we were looking for a site in their particular area" (MHA1).

Thus, some local authorities seemed to be very co-operative with regard to the transfer of sites or properties in their ownership to housing associations. In cases where a suitable site was not available, some authorities still co-operated by purchasing land on behalf of an association. For example, the chairperson of one of the associations discussed above had established a network of associations throughout south-east Kildare. Some of the smaller associations in the network had identified suitable sites and negotiated with the landowners, for purchase on their behalf by the local authority. It was argued that local
Communities generally have the ability to negotiate lower prices than would be case should the local authority make the initial enquiries:

“At the other locations, what would have happened is that the local association would have gone hunting. Well, in Newbridge again it was another local-authority site and in Monasterevin it was a local-authority site. But in Suncroft, Nurney, Kildangan and Kilberry, the sites were sourced by...the local community leaders and for the most part we tried to negotiate deals...the sites weren’t cheap but we probably got them cheaper than they would have been if the county council had gone into negotiations” (MHA7).

Another example of a local authority purchasing a site on behalf of a housing association was provided by a provider of homeless services, which constructed an emergency shelter on a site acquired by Dublin City Council. The acquisition of this site was mutually beneficial as the city council wished to acquire part of the site in any case, to facilitate a road-widening scheme:

“Usher’s Island was bought on the open market around 1984...Dublin City Council was interested in acquiring the front of that site for road widening. They bought the site and transferred it back on a long lease” (MHA6).

This was not the only example of a local authority co-operating with a housing association in order to deliver its own targets. An association in Kildare acquired a site through the local authority for the construction of a 56-unit housing project. While most of these houses were constructed under the LSS, twelve were built on behalf of the local authority. Conversely, examples of a local authority constructing units for management by a housing association were also observed. One provider of homeless services felt that the delivery of support services was its specialism rather than bricks and mortar so partnerships with other agencies were preferred. This association was managing several properties that had been acquired and refurbished by Dublin City Council. However, the properties remained in the ownership of the city council, which was responsible for maintenance. Providers of homeless services seemed to have a particularly productive relationship with the local authorities, with the city council initiating proposals, perhaps as a result of the political imperative to address the problem of homelessness and pressure from central government (MHA6).

Despite several examples of local-authority co-operation with medium-sized housing associations, numerous problems were cited regarding the acquisition of sites through the local authorities, which have been exacerbated in recent years by the housing affordability crisis. Even the associations that relied most heavily on the local authorities were exploring alternative methods of site acquisition. At the time of the interviews, both were negotiating with developers, with a view to acquiring land under Part V (MHA2, MHA7). Echoing the
comments made by some large associations, competition for land seemed to have arisen between local authorities and housing associations, as the local authorities were also expected to meet their own ambitious government targets:

"...we had a good relationship with all three of them [South Dublin, Fingal and Dublin City]. Our difficulty at the moment is to get sites because they're under pressure...to produce their own housing starts. Now, possibly under the housing strategy that is due to come into effect it will release more sites but it is very, very slow at the moment trying to get sites" (MHA1).

One association identified the acquisition of sites in its Dublin catchment area as the most important barrier to expansion:

"But our biggest problem is trying to get sites from the local authorities. I mean the commitment is there from Minister Molloy for the funding to encourage the expansion of the sector but we're caught now trying to get sites from the local authority" (MHA1).

Another association, which had developed a good relationship with the relevant local authorities, still felt that they tended to give housing associations difficult sites that were surplus to their own requirements:

"The local authorities tend to give you sites that are not the easiest sites. It's understandable I suppose, they don't want to give you their prime sites. For example, the site in Ashbourne was landfill. There was some original development of the site in Kells and they had been trying to sell it five or six years before as a private site. The services were already in but we couldn't identify if they were usable. So, they sold it to us at the greenfield price because we weren't funded to put the services in again" (MHA2).

Furthermore, the legal transfer of land from the local authority to the housing association was unnecessarily slow:

"Local authorities can be slow about transferring the ownership of land. The legal wheels move very, very slow" (MHA2).

Another respondent expressed similar frustration with unnecessary delays on the part of the local authorities in completing the purchase of land, resulting in poor value-for-money:

"...in one location, the local principal of...the primary school was on our board of directors and he reckoned he could convince a local farmer to sell us two or three acres of land. And he went along to talk to the farmer and the farmer said yes, I'll sell you that land for €35,000 but so long did it take for the local authority to complete the negotiations that he got fed up and he upped the price to €70,000 and the local authority was still prepared to do the deal but a local auctioneer became involved and eventually the site was bought for €150,000. Whereas in fairness, we would have had the site for €35,000 if we had had the financial wherewithal to go and buy it ourselves" (MHA7).

Other Public Bodies:
A range of public bodies other than the local authorities transferred land or properties to medium-sized associations, including the health boards, regeneration bodies and the Department of Justice, Equality and Law Reform. However, none of these bodies seemed
to be a major source of sites. A provider of supported accommodation for tenants with mental health difficulties cited the health board as a source of properties. It was also planning to purchase units from Ballymun Regeneration Ltd., as part of the planned regeneration of this run-down social housing estate:

“Now, we’re doing a development in Ballymun as part of the development there and that is being built by Ballymun Regeneration and we’re just buying it as a turn-key…Ballymun approached us. They had identified a need for special needs accommodation and there is also a local day services group there” (MHA1).

The Department of Justice, Equality and Law Reform constituted a more unusual source of land. An association catering predominantly for low-income families in Kildare was negotiating with this Department regarding the acquisition of land or derelict buildings at the Curragh Camp:

“…there’s a dispute going on between the Department of Defence and something like 54 residents of the Curragh camp, who are living in army quarters long since having left the ranks of the defence forces and in some instances they’re the sons and daughters of people who were in the defence forces and the Army want them out because they want access to those properties…obviously, there’s a major dilemma there. People are claiming that they can’t afford housing, a lot of them are on social welfare incomes and the county council can’t simply accommodate 54 people in a specific development, they’ve got to deal with their existing waiting list...we have said...if you will give us a site in the Curragh Camp, we’re quite willing to go in as a voluntary association and resolve this problem for you…” (MHA7).

Religious Institutions

Institutional lands were not a significant source of sites for the medium-sized housing associations that participated in the research. One provider of sheltered housing for the elderly had bought an old convent from a religious order in Cork for refurbishment but it was purchased at full market price (MHA4a).

Property Developers

It seemed rare for a medium-sized association to acquire land through a property developer. No examples of design-and-build or turn-key developments were observed although, by mid-2001, one respondent noted increasing approaches on behalf of developers in this regard:

“I think there’s a sign of a slow-down in the market because we are getting site plans in and drawings in from some of the auctioneers who are selling who are interested. Maybe their clients are interested in having a housing association involved” (MHA1).

Perhaps the absence of turn-key developments was due to the fact that all but two of the medium-sized associations were catering for tenants with special needs. Presumably, most of these associations would require greater input to the design process than would be the
case for family-type housing. Property developers may not be willing to accommodate this kind of collaboration, particularly if planning permission had already been obtained.

There was evidence that medium-sized associations were beginning to engage with developers regarding the possibility of acquiring dwellings or sites under Part V of the *Planning and Development Act, 2000*. Developers were proactive in approaching associations with proposals and seemed to be quite keen to work with them. The two providers of housing for low-income families that had previously been reliant on the local authorities had both recently entered into negotiations with developers regarding Part V. Two developers, both referred by the ICSH, had approached the first association, which operated on a regional scale:

"The Dundalk Part V scheme is a new one. We're talking to a developer about eight units in the first phase and another eight in the second phase. There'll be four clustered units and four scattered, with a mix of one-, two- and three-bedroom units. Under Part V, a developer approached us through D. at the ICSH who put us in touch. We're also talking to another large developer in Dundalk, again from the ICSH. But he has disappeared since the recent tinkering with Part V. Perhaps he's decided to take the compensation" (MHA2).

The second association, which had the much smaller catchment area of a county town, was approached by a local developer who was already aware of the association's activities:

"...we're...blazing a trail insofar as Kildare in concerned in that we're in active negotiation and indeed have a local agreement with a local developer to acquire units under Part V of the *Planning and Development Act*, whereby the developer has to provide 20% of the units to the local authority and we've done a deal whereby he'll transfer those 20% of units to us and they'll all be social units...The developer approached us because he was aware of the work that we have done" (MHA7).

Two potential problems relating to partnerships with private developers were mentioned, echoing those cited by the large associations. Any agreement between a housing association and a developer regarding the Part V social housing is entirely dependent on the agreement of the local authority, which may intend to sell the units under the Affordable Housing Scheme or retain them as part of the public-rented housing stock. The second problem was that the potential of Part V was limited for some special-needs associations. Associations catering for certain target client groups were clearly less attractive to developers, who wish to maximise profits for the private elements of the scheme. An association catering for people with mental health difficulties felt that its tenants had a negative 'psycho' image, in contrast to 'nice safe groups' such as the elderly or the disabled (MHA1).
Three medium-sized associations had purchased sites on the private market, all of which were engaged in the provision of sheltered housing or residential care for elderly people. For more recent developments, the value of the land constituted the associations’ contribution towards development costs under the CAS. Two of these associations were old and had considerable assets and, in both cases, site acquisition had been at least partly funded by the sale of other properties. One was a church-based charity which had been active in Dublin since 1893. Its first development was a 43-unit sheltered housing project for elderly people, which was completed in 1965. The costs of acquiring a big house and grounds in Sandymount and construction were funded through fund-raising and the sale of the organisation’s sea-side summer house:

“The first development was in 1965, prior to any grants, so it was all privately-funded. We sold the Summer House in Laytown...it catered for children and families in that area [George’s Street], they had children’s weeks and families’ weeks and young mothers’ weeks. There was a feeling that the need for it had diminished. It funded quite a considerable part of the place but there was a considerable amount of fundraising as well.” (MHA3).

In 1990, this association completed another sheltered housing project for the elderly under the CAS, comprising fifty units. The cost of acquiring another big house and grounds, in Glenageary, was financed through a combination of fund-raising, a bequest, interest-free loans from more affluent tenants and short-term private borrowing:

“The third project was Ailt an Oir and we got slightly over IRE1 million towards it under CAS. We didn’t sell any other property. There was one very generous bequest and the rest came from fundraising so it took quite a while to settle the debt but we’ve paid the debt at this stage...If we borrowed, it was only for a very short time during construction. It would have been from internal funds. At that stage, we started the interest-free loans from prospective tenants so quite a lot of funding came from that” (MHA3).

Some of the cost was recouped through the sale of the old house, as it was too expensive to convert to sheltered housing, while the grounds were retained for development. It became necessary to purchase an adjacent property, in order to service the site, although it was felt that the organisation’s status as a church-based charity ensured a favourable price.

The second old association, which was established as a ‘hospital’ in Waterford in 1583 also had considerable assets. The hospital had been housed in a large nineteenth-century building with grounds but maintenance issues led to the sale of the property for conversion to private apartments in the early 1980s. The association retained a substantial portion of the site and the old hospital was replaced by a new 58-bedroom residential home and fifteen cottages for the elderly. Access to land was not a barrier to development for this association, as there was space on this site to develop further dwellings. However, it was
felt that obtaining capital funding would be more problematic. Consequently, this association had decided to maintain and improve the existing facilities rather than expand:

“Well you can see around here we have quite an amount of land, although to get money is the problem, we wouldn’t have the money” (MHA5).

The association possessed considerable additional assets. Although many of the shops and houses in its ownership were let at very low rents, many of the long leases had nearly expired. Thus, this association was in an excellent position to compete on the open market for land should it decide to expand its sheltered housing provision. However, the trustees had decided against any further sales of properties in order to protect its rental income, despite considerable pressure to sell the properties to sitting tenants:

“...we have freehold on a number of properties in town. We had quite a lot but they have been sold off over the years. We would have had fifty or sixty properties but now we’re down to about twenty. It’s the policy of the Trustees not to sell any more properties, otherwise you’re really killing the golden goose” (MHA5).

A newer association, without any assets that were not subject to the terms and conditions of the CAS, had also purchased land on the private market. This association had bought an old convent from a religious order. Fortunately, there was little interest from other developers:

“We did a deal with the nuns. They were an enclosed Belgian order that made altar breads for all of Ulster. It would have cost them a fortune to relocate that. So they sold it to us on condition that they could trade from a bungalow over there...But anyone else wanted vacant possession” (MHA4a).

By 2000, it had been decided that the building was sub-standard and in need of replacement. However, the association has found it impossible to compete for land on the open market in recent years:

“...we’ve spent the last three years bidding on sites in Cork but as a charitable organisation we can’t get them” (MHA4a).

6.3.3 Small Housing Associations

The local authorities were clearly a particularly important source of development sites for small associations. They were the sole source of land for several of the small associations that participated in the research (MHA4b, SHA2, SHA4, SHA7, SHA8, SHA11). However, an unexpectedly high number depended solely on sources other than the local authorities for site acquisition (SHA5a, SHA5b, SHA6, SHA10, SHA13), while some
associations had acquired land for different housing projects from both the local authorities and other sources (SHA1, SHA12, SHA9a, SHA9b).

**Purchase of Completed Dwellings**
A limited number of small associations avoided the site acquisition process by purchasing existing properties under the funding schemes. For instance, an association in Wexford purchased a large, second-hand bungalow for refurbishment and conversion to a residential home for elderly people under the CAS. The respondent felt that the price was very reasonable, as the vendors were directors of the association (SHA1). Another small association in south-east Galway purchased a new house on a private housing estate from the developer under the CAS, for use as a group home for people with mental health difficulties. Unusually, the 10% shortfall was raised through private borrowing and repaid from rental income (SHA10).

**Land-Use Intensification**
A small association in Leitrim had attempted to avoid the site acquisition process by increasing the residential density on its existing property. This association had just two bungalows under management, which were split into four dwellings for the elderly (see Plate 6.2b). The committee decided to seek planning permission to demolish these bungalows and construct twelve new dwellings, fully utilising the large site. However, neighbours appealed against the county council’s decision to grant planning permission and permission was refused by An Bord Pleanála. No further progress had been made at the time of the interview (SHA6).

**Partnerships With Larger Housing Associations**
Finally, some small associations avoided the site acquisition process by opting to forge partnerships with larger associations, particularly those with substantial building programmes and large catchment areas. For instance, an association specialising in the provision of transitional housing for women who were homeless as a result of domestic violence had forged partnerships with two large associations. In one case, the management of a small number of dwellings within an estate was transferred to this specialist association but the ownership of the whole estate was retained by the local authority. In contrast, full ownership of a small number of dwellings was to be transferred to the smaller association in the second case (SHA2). Another small association also expressed a preference for partnership arrangements, stressing the greater resources of large
associations with substantial building programmes. This association was planning two projects for low-income families in partnership with a large association:

“If we were doing a biggie we would get the likes of Respond! in. They charge you but they have all the resources there like architects. Then they would transfer ownership to the local groups. We've two local groups are at that stage, they're nearly going to planning and Respond! are in” (SHA10).

Local Authorities

The local authorities proved to be a particularly important source of development sites for small associations; the sole source in several cases (MHA4b, SHA2, SHA4, SHA7, SHA8, SHA11). Considerable variation in practice seemed to exist both between local authorities and over time. Some associations had acquired sites through the relevant local authorities without any great difficulty. For instance, the process of acquiring a site from Kildare County Council for a ten-unit housing project for the elderly was described as follows:

“We got very good support from the county council in practical terms. They gave us the site for free. It was the site of the old school which had been moved. The council owned it because they had done a swap with the V.E.C. The council had a site on an industrial park for the school and gave the old site for housing. It was valued at IR£40,000” (SHA7).

Another Kildare-based association also reported a positive experience of dealing with the local authority, regarding the acquisition of a site for a 32-unit project for low-income families. The chairperson of this association was a councillor, which may have affected the officials’ approach:

“I had been in contact with the county council and they said they would give us a site but we had to get the infrastructure in place, form a company and get approval. Once that was done, the county council became quite effective with us and gave us a site” (SHA8).

Similarly, a co-operative obtained the land for its first project, comprising 32 houses for low-income families, through Galway City Council:

“First, we went to the Corporation to get land ...They had a fair bit of land that was not being developed at the time so they gave us a bit off the side and serviced it first” (SHA4).

Some examples were observed of local authorities co-operating with housing associations in order to assist in the delivery of their own targets. Sites were sometimes provided on condition that the project was mixed tenure, with some of the dwellings contributing to the local-authority building programme. For instance, Kildare County Council provided a site already in its ownership, sharing servicing costs, to a small association for a 28-house project. Twenty houses were constructed under the LSS for management by the association, while the remaining eight were constructed on behalf of the local-authority:
"We did a raffle for the allocation of the houses. Our houses and the council’s were all intermingled. It could become a bit of a ghetto. We didn’t want people to come in and say ‘they’re council houses and they make no contribution’. But it turned out the other way because they can buy out their houses. But they’re all well kept" (SHA11).

This association was pleased with the outcome and was planning a second housing project, comprising forty houses, along similar lines (SHA11).

Rather than transferring an undeveloped site to a housing association, some local authorities preferred to construct housing projects directly and then transfer some of the completed dwellings under one of the funding schemes. For instance, Galway County Council refurbished two local-authority houses and two private houses, for transfer to an association catering for women who were homeless as a result of domestic violence (SHA2). In another case, a co-operative acquired parts of two integrated housing projects constructed by Galway City Council:

"We have two projects completed, 32 units at Cuar na Lus and twelve units at Corrach Bui...Cuar na Lus we built ourselves but now the council is into building and then transferring. But people are being housed and that’s all that matters!" (SHA4).

However, the association was allocated fewer houses than initially hoped in both housing projects, due to the advent of the Affordable Housing Scheme. In one case, funding for the transfer of forty houses under the LSS had been approved but the association only received twelve, with the remainder being sold as affordable housing. The management of such mixed tenure estates can prove problematic:

"...you need 25 to 35 houses for a viable co-operative, for a sinking fund and so on. For Corrach Bui, we had the funding approval for forty units and then we only got twelve...The council was going to...transfer them to us but they went to affordable housing, not the co-operative" (SHA4).

Nevertheless, this association felt that it was easier and more efficient if the local authority undertook the design, planning and construction work, although the importance of input at the design stage was highlighted:

"I like the local authority to develop the houses and it’s better value. Why go through all that hassle if they are prepared to do it? But we would obviously like input into the layout of the houses and the estates" (SHA4).

In contrast to these examples of local-authority co-operation, several small associations reported serious problems in gaining access to land through this channel. Acquiring sites through the local-authorities seemed to have become increasingly problematic in recent years:
"There's no land bank in Clare any more. Local people objected when we proposed to build on their last site. All of the councillors backed down and we were left high and dry" (SHA13).

Even associations that had previously been successful in acquiring sites through the local authorities felt that this source of land had been largely exhausted:

"Land will be a problem here...so far so good but any land that's around is after being built on. They're buying people's back gardens and everything now" (SHA11).

However, there was considerable variation between local authorities regarding the availability of land. Two small associations, catering for elderly people in rural parts of Limerick and Galway, felt that the local authorities had actually improved in recent years with regard to the provision of sites:

"No subsidised sites were available from the council at that time. P. [chairperson] was a pioneer in this respect, it took years to convince the county council. But then the DOE was not as helpful as they are now either" (SHA5a).

"We never tried to get a site through the council. For the next batch of houses, the council has bought land locally and will make it available for us for free. But that is only now coming into place" (SHA9a).

Non-community-based associations that were trying to establish themselves seemed to face particular problems in acquiring sites. Neither of the associations that aimed to become large-scale providers of housing for low-income families were very successful in acquiring sites from the local authorities. The first association was relatively new and had approached many local authorities without success:

"No local authority ever responded to us by indicating that they had sites that they might give to us. It might happen to the larger housing associations that way. There was never any real enthusiasm on the part of the local authorities in that way" (SHA13).

The second non-community-based association, which was established by a large Northern-Irish association, had only been able to secure one site for thirteen houses in Rathmullan, despite approaching all of the authorities in the Border Region:

"I used my experience in moving schemes forward to assist them. But the thing didn't move very quickly and there were all sorts of problems. We were told 'approach the council and they'll give you land'. But the council didn't have enough land for itself, they only gave us a small site in Rathmullan" (SHA12).

Reflecting the views of larger associations, it was argued that housing associations in the Republic were largely dependent on the local authorities for access to land but they were competing for sites:

"We are working in competition in many ways. We can only do general needs accommodation when the county council doesn't want to or they can't get land, they only let us in then" (SHA12).
Associations based in Galway and Cork also felt that the city councils’ needs always took precedence:

“If they had the land, they would let you. But, they wouldn’t let you take a chunk of land they were building on” (SHA4)

“Oakdene House is a seventeenth-century building and you couldn’t give that away! We got it off the Corporation on a 99-year lease, fee simple. We had asked for the old fire-brigade station but they wouldn’t give us that. They already had Oakdene House and nobody wanted it” (MHA4b).

The issue of delays arose with regard to dealing with the local authorities. For instance, one association repeatedly approached Wexford County Council regarding the acquisition of a disused site that was in its ownership, for the construction of ten family-type houses but it took several years to negotiate the transfer of the site:

“We got a bit of land there, a bit of derelict land, a rubbish tip you might say...there was nothing done with it...it had been there for years...and stuff had been thrown out on it...we knew it was there and we had looked for it for years and eventually we got it” (SHA1).

**Other Public Bodies**

In addition to the local authorities, a range of public bodies transferred either sites or completed dwellings to small associations, including the health boards, Údarás na Gaeltachta and a regeneration agency. These public bodies did not seem to be a major source of sites for small associations, with the possible exception of the health boards. A community-based association in Kildare acquired the site for its only housing project, comprising ten bungalows for the elderly, from the health board. For its next project, it was hoping to acquire an under-utilised medical centre:

“We have made a tentative move with the health board, regarding the adjacent health centre...We see it as maybe being convertible to a couple of units, that’s where we see our next stock coming from. We said ‘We have two health centres and one dentist and neither is in full-time use. If you’re ever thinking of doing this think of us’...We’re caught now, there are no more sites around. If the health board would give us that bit of space, that would satisfy the needs for the foreseeable future” (SHA7).

Another small association in Galway was negotiating the acquisition of a much more substantial property from the health board. The refurbishment of an old workhouse as sheltered housing for the elderly was planned, including communal facilities and enterprise units:

“We’ve also taken on an 1852 workhouse, designed by Wilkinson. It’s seven buildings, two are three-storey and the rest are two-storey. It’s owned by the health board and it’s on eight acres. We have very close ties with the health board, through our own community health day centre. The health board wants to off-load it but they’re reluctant to sell community assets on the private market. There’s no interest from developers anyway because of the costs of refurbishment” (SHA10).
This association seemed to enjoy a very good relationship with the health board, perhaps because one of its directors was a health-board nursing officer. Links between directors and a public agency also seem to have been significant in the case of another small, community-based association in Connemara. The founder and chairperson of this association was a local politician who was also on the board of Údarás na Gaeltachta, which undertakes economic development, community, cultural and language development activities in the Gaeltacht regions. The site for this association’s only project, comprising twenty houses for the elderly, was purchased at a subsidised price from this body:

“For the second site, Údarás na Gaeltachta was willing to lease it to us but the council said that was not possible, they couldn’t have a third party interest superseding council’s interest in the site. So, we had to buy the site. It was subsidised, it was half-price, but it was still IR£50,000” (SHA5b).

Finally, Ballymun Regeneration Ltd. was transferring the ownership of four completed dwellings in the former ‘problem’ local-authority estate to a small association catering for women who were homeless as a result of domestic violence (SHA2).

**Religious Institutions**

Religious institutions did not seem to be an important source of land for small associations. To the contrary, two associations in Galway reported unexpected difficulties in obtaining sites from religious institutions:

“We will identify a site and nine times out of ten it is parish-owned. But there seems to be an attitude of ‘what we have we hold’, especially in two areas. There’s also an attitude of ‘we don’t want the knacks in’, especially in one area” (SHA10).

“We looked at a site in Spiddal, which was in the ownership of Bishop Eamonn Casey and still is, because the price was far too high” (SHA5a).

**Property Developers**

Small, community-based associations did not usually seem to acquire land from property developers. A Galway-based co-operative argued that developers are not interested in forging partnerships with housing associations:

“We’ve no money for land and builders aren’t interested in parting with their land. We did approach some many years ago but they weren’t interested” (SHA4).

However, an association in Wexford was exceptional in this regard. A developer had purchased land in a village and applied for planning permission to construct 136 houses. The community council negotiated with the developer:
"...we said we'd back him but a certain condition was that he'd would put a social mix in. Now, a social mix, as far as we're concerned, is two-bedroom to five-bedroom detached. But also, we said we wanted forty for social housing" (SHA1).

It was agreed that the local community would support the application, in exchange for the sale of a portion of the site to the community council, for the construction of forty family-type houses and the extension of the community council's adjoining residential home for the elderly. The developer would also be invited to tender for the contracts for the housing association's construction work.

The two non-community-based associations seemed quite different in their approach to site acquisition. It was early days for both associations, as they had only completed one or two housing projects each. However, both were planning major expansion of their housing stocks and were relying on design-and-build and turnkey developments to achieve this aim (SHA12, SHA13):

"We depend on builders coming forward with turn-key developments. Again, as we increase our profile, contractors come to you. They're just builders, as long as they make money they're happy. They don't care who they work with as long as it's a reputable organisation. They weigh it up all the time, whether to do a design-and-build with a housing association or selling on the open market, they weigh up the risk. 75% of Northern Ireland developments are also turn-key. Design-and-build can be attractive, they don't have to invest a lot of money and they get monthly payments coming from the housing association" (SHA12).

"Actually, it was a developer who came to us with a site - but just the site, not the design - he became the prime contractor. It had to be that way, we wouldn't have had the resources to go round the country looking for sites, it had to be viable" (SHA13).

However, both respondents felt that a lack of input to design and specifications could be problematic when working with property developers:

"With design-and-build, we don't have to buy the land and the money is paid from the county council. But with the traditional route, the specifications are higher. So, it's better if the developer comes with a site and you work the design on it together" (SHA12).

**Private Market**

It seemed more usual for small associations to purchase land from their own resources on the private market, than to forge partnerships with developers. For instance, a community-based association in Leitrim purchased two bungalows in the late-1960s, prior to the introduction of the CAS. The cost of purchasing these bungalows and refurbishing them as four units for the elderly was financed entirely through fund-raising:

"It was bought privately by the committee through fundraising. It was bought at a fairly low price, land was cheaper then. There were also grants available for doing up old houses" (SHA6).
There were also examples of small associations purchasing sites in more recent years, in
the context of the high land prices that accompanied the housing affordability crisis of the
1990s. However, this generally took place in rural locations, where there is generally lower
demand for land. For example, an association in Connemara purchased a site in the mid-
1990s, in order to build its only housing project, comprising twelve units for the elderly.
This site had formerly belonged to a co-operative enterprise which had gone out of
business. The purchase of this site was partly funded by Forbairt Pobail Teo., the
community development company which had established the association. Unusually, the
remainder was borrowed from the chairperson, a local politician who had been
instrumental in founding Forbairt Pobail Teo., the old co-operative and the association:

"... we had had to put up IR£40,000 or IR£50,000 for the site and professional fees... Forbairt
Pobail Teoranta paid for it and P. put up a lot of his own money as well" (SHA5a).

Another small association that acquired land for its early projects on the private market
catered for elderly people in Limerick, with fund-raising covering the cost:

"The committee secured suitable sites. There was nothing through the county council in the
beginning. We had to find our own purchase money so we had to do it through fundraising"
(SHA9a).

It may be significant that the small associations which purchased land on the private
market were generally engaged in the provision of housing for the elderly in rural areas.
Fund-raising locally for the elderly appeared to pose less of a difficulty than for other
target tenant groups. A co-operative catering for low-income families in Galway argued
that land was prohibitively expensive to purchase on the open market:

"The cost of land is horrendous, there's no way a voluntary organisation could get it bought"
(SHA4).

The lack of seed funding to cover site acquisition was identified as a major barrier to
development, although some associations had noticed an improvement in the provisions for
site purchase under the funding schemes (SHA4, SHA5a, SHA5b):

"Once you have identified the need for the houses, they need to give you start-up funds for
sites. You could be restricted if you couldn't get a bank or a donor to fund it" (SHA5a,
SHA5b).

Furthermore, sites advertised by estate agents tended to be problematic and unattractive to
private developers:

"Often, other sites were not attractive to other developers locally and there were usually
reasons for that. For example, floods, local objections. We had to do a lot of investigations"
(SHA13).
With one notable exception, the purchase of land by small associations was never funded through borrowing from financial institutions. The exception was a non-community-based association which aimed to become a large-scale regional housing provider. It encountered serious difficulties in trying to acquire land from the local authorities so it was decided to purchase sites on the private market. This association was able to capitalise on close links with its Northern-Irish parent, as both associations operated under the same umbrella:

“To bring the two organisations together we drew up agreements that enabled us to cross-guarantee loans... We have to raise considerable finance in Northern Ireland, 50% or 60%, and we used our relationship with banks in Northern Ireland to get commercial loans to assist the company in the South. The company in the South didn’t have any collateral but we were able to do it because banks saw the two organisations under one umbrella. It allowed us to get the finance to buy sites. We approached a bank in the South but the terms weren’t as favourable... With private finance in the South, the banks would only fund 70%” (SHA12).

Thus, the terms of private finance were more favourable in Northern Ireland, perhaps explaining the lack of private borrowing by smaller associations in the Republic. Another non-community-based association which also planned to become a large-scale housing provider, had discovered that some local authorities will guarantee loans for site acquisition, although it had not yet availed of this opportunity:

“In Clare, the county council will guarantee loans to borrow money from the bank. They have to be satisfied that it’s a reasonable site for building... It’s a very useful tool because you can make immediate payment and you’re not waiting for planning - the landowner would have the site well and truly sold by then” (SHA13).

6.4 DESIGN AND PLANNING PERMISSION

This section discusses housing associations’ methods of selecting design teams, satisfaction with design services rendered, arrangements for the payment of design fees, the extent of tenant participation in designing their homes and finally, the planning process. The regulations regarding the selection of architects, engineers and quantity surveyors vary according to the value of the contract. For smaller projects, housing associations are free to choose any practice with appropriate qualifications. For large projects, with an estimated value exceeding €1,269,738, at least three suitable firms should be selected and submissions sought on the basis of an outline brief. These submissions should outline the experience, staffing and competence of the firm and its proposed approach to the project (DOELG, 2002).
6.4.1 Large Housing Associations

Design Team Selection

Just one large association, which caters for low-income families on a nation-wide basis, employed its own design team (LHA3a). In the 1980s, the founder of this association persuaded a sympathetic architect to undertake the design work for its early projects free-of-charge. As its output grew, an in-house design team was employed, with the inclusion of design charges in funding applications on the same basis as design work commissioned from private-sector practices.

Large associations had all had ample opportunity to develop good working relationships with various architectural practices over the years. Consequently, they tended to rely on a limited number of firms for all of their design requirements. The main reasons cited for this were trust, familiarity with the association’s requirements and experience of designing similar projects, although financial reasons were mentioned by one respondent. Certain architectural practices seemed to specialise in designing social housing, with one Dublin-based practice in particular being mentioned by two large associations (LHA1, LHA5), in addition to a smaller one (MHA1):

“There are one or two architects that we work quite closely with. Obviously over the years, they trust our work and we trust what they’d be doing. So we do rely on them...we have used the National Building Agency as well for a couple of projects.” (LHA1).

“With the design team for our refurbishments, we always use the same firms - it’s not in-house...” (LHA4).

“We have used Cahill Architects in Dublin, he has done other social housing. We used a local one for Waterford and also a local q.s. team, they have done designs for local authorities, schools and other voluntary bodies” (LHA5).

“In Dublin we have a delegate architect, Ken Hunt, we have used him over the years and he’s been very good. We used him for Granby and Abbey Street...It’s changing now and we used a different architect for Lefroy, the UDP Partnership” (LHA6).

“We have tended to go back to the same architects, mainly because of guilt that we haven’t paid them!” (LHA2a).

Similarly, large associations tended to rely on a limited number of independently appointed quantity surveyors, rather than relying on the architect’s recommendations (LHA1, LHA2a, LHA6). The importance of engaging a quantity surveyor with experience of the funding schemes was emphasised, as failure to provide the breakdown of costs in the correct format can lead to delays:
"We appoint the q.s. We tend to get the bigger ones because they know what they're doing, they have more continuity of staff. The forms are supposed to go through the local authorities but we get the q.s. to do it in the right template and then they can go through to the DOE quite quickly. With Part V schemes, we just engage the q.s., not the architect, who looks after the submissions etc." (LHA2a).

Reflecting the fact that several large associations were increasingly reliant on developer-led projects, it was noted that it was becoming more and more common for the association to have no hand in the selection of the design team (LHA2a, LHA4).

**Satisfaction with the Architect**

Most large associations seemed satisfied with the standard of design services provided. One respondent emphasised the importance of a thorough, well thought-out design brief in this regard:

> "Yes [satisfied] because we were starting with the design brief and had the design team together. We were nearly halfway through the alphabet before we were happy!" (LHA6).

However, two large associations expressed grave dissatisfaction with the quality of design services rendered, blaming the funding system for problems arising at this stage (LHA5, LHA2a). It was argued that the lack of funding to cover professional fees prior to the commencement of construction caused several difficulties, including limiting the choice of architectural practices, increasing design fees and lowering the project’s priority. One of these associations, a homeless services provider with limited output, argued that the quality of design was improving with each project, as expertise within the association increased. Experience had revealed the importance of formulating a detailed design brief:

> "You live and learn. If you are clear about the intentions, the design logically follows. If you are not clear and there is imprecise communication then you have to change later. You have to be clear. It's a learning process both ways" (LHA5).

Problems can also arise with regard to design issues when the housing association is not the developer. One large association described itself as a pioneer of ‘design and build’ projects in Ireland. However, it was argued that a drawback of this approach is that property developers tend not to approach housing associations at a sufficiently early stage to design with their requirements in mind (LHA2a). This respondent also had experience of the local authorities developing dwellings for transfer to the housing association on completion. Serious reservations were expressed regarding the standard of local-authority design and construction. Furthermore, it was argued that the local authorities rarely consult the association responsible for the future management and maintenance of the project regarding design issues (LHA2a).
Design Fees

Design fees seemed to represent a considerable problem for some large associations. Funding to cover professional fees is not available under the funding schemes, prior to the commencement of construction. It was argued that this means that housing associations are restricted to larger architectural practices and got a slower, more expensive service:

“They only get paid when we start on-site, two or three years later, so they’re carrying significant fees. And the Revenue Commissioners expect them to make tax returns on that, to add insult to injury! Because of the time-lag involved, we are restricted to large firms that can carry the fees. Also if the architects have paying clients, they take priority. So, it’s more expensive and you don’t get a great service. And they charge scale fees because you can’t negotiate” (LHA2a).

Thus, associations are required to carry considerable risk in commissioning design work, as no funding is available to cover professional fees should the project fall through. Liability for fees for an unsuccessful proposal could be avoided by entering into a ‘no foal, no fee’ arrangement but this is also problematic. In addition to being inequitable and discouraging design firms from working for housing associations, it was argued that this system also leads to a slower service:

“You’re also constrained by financial considerations. We have done it on a ‘no foal, no fee’ basis but this impacts on speed and deliverability. It’s also inequitable as some architects have done designs and never got a penny. Also, as they get busy, you get less out of them” (LHA5).

While another respondent agreed that the current system is problematic, it was recognised that delayed payment is in the public’s interests, while architects are often in a position to wait for their fees:

“...generally speaking with public money, it’s not available up-front. I mean, that’s in the taxpayers’ interest. We are talking about funding that is provided by the tax-payer...And at the same time, we face the dilemma of bringing forward projects, that we have to engage architects to do the design work and bring the project on through planning permission, through tendering and actually to get the project started. So, there is a lot of work involved...it is seen as a problem...It’s not easy to overcome it though because...if you go into a government department and say ‘well listen, we want the government department to pay £300,000 or £400,000 at the start, for a project that’s not even designed’. And if that project doesn’t go well, I think the government department would be a bit concerned about finding itself in the dock with regards money. So it’s a question of getting the balance...But I have to say that there are also a number of architects who have a fairly steady income” (LHA1).

The largest association in the Republic of Ireland avoided these difficulties by assigning design work to a large in-house design team that included architects, architectural technicians and engineers (LHA3a).

Tenant Participation

None of the large associations seemed to have adopted any measures to allow future tenants to participate in the design of their houses or flats. This seemed primarily due to the
long gestation period of most housing projects. Tenancies were not normally allocated until the dwellings were nearing completion, prohibiting tenant input into their design (LHA1, LHA2b):

"...we would usually bring forward the whole project and then proceed to promote the co-operative as an option for people who are on the housing waiting list: ‘come and join us, these are the terms and conditions and you go through training programmes for that purpose’" (LHA1).

One respondent argued that tenant participation in the design process was not desirable in any case:

"Not design, you could not leave that to a committee. And you raise expectations that you can’t deliver on, technically or financially. We get feedback fairly quickly but on detail not the fabric" (LHA4).

Planning Permission

Just two large associations reported serious delays at the planning permission stage. Both were primarily engaged in the provision of homeless services. One respondent felt that the planning process was unnecessarily slow:

"The length of time planning permission took! We lost so much time, they work to the sound of their own drum. We had to have a geological survey, an archaeological survey and so on. There was no appeal or Inquiry, so we were very fortunate with that. The old York House building was falling down around our ears. It should have been closed in 1994 and it didn’t close until 2002. I thought ‘I’m going to be left here with eighty homeless men’...You don’t want to fast-track planning too much because you have to be democratic and everyone has to have their say but it grieves me that it takes so long" (LHA6).

Thus, in one case delays were caused by the normal difficulties associated with developing inner-city sites. However, in the second case, local opposition was an important cause of delays. Planning permission was refused for two large projects in Sligo and Dublin, as a result of objections. It was argued that communities tend to have a very negative perception of homeless people, so the association’s image as a provider of homeless services often caused opposition:

"We are very much associated with homelessness, we get planning problems with objections regarding homelessness" (LHA5).

In contrast, most large associations did not report any serious difficulties at the planning permission stage, as illustrated by the following comment:

"Sometimes, at the planning stage because of queries, failures of the planning officer to just get on and make a decision, coming back looking for information and the great thing is to look for information about three days before it’s actually due. It does vary actually, quite a bit...And it has got better, I think I would be prepared to say that over the past few years we haven’t had huge delays on the planning..." (LHA1).
6.4.2 Medium-Sized Housing Associations

Design Team Selection
No examples were cited of the direct provision of design services by local authorities or other public agencies. Recommendations and personal contacts were very important for many medium-sized associations, with regard to the selection of design professionals (MHA2, MHA3, MHA5, MHA7):

"The architect was found through a friend of a friend and they recommended a quantity surveyor" (MHA2).

"Our engineer who is on the board liaises with the architect...He'd know the architect. We'd usually use the same architect all the time" (MHA5).

Familiarity with the funding schemes and designing social housing were important considerations for some associations (MHA7, MHA1):

"...it's valuable to have people who know how the system works, who have the experience of the RSS, of the local authority and the Department and the legalities that surround the schemes..." (MHA7).

Just one respondent, who had a series of disputes with various architects, seemed to base her selection on entirely different criteria:

"I just looked up the Golden Pages and picked the first one in the book" (MHA4a).

The architect was normally responsible for the engagement of any additional members of the design team, which normally just comprised a quantity surveyor (MHA2, MHA3, MHA5).

Satisfaction with the Architect
Most associations expressed a high level of satisfaction with their design teams and the quality of their work. The same design professionals were re-hired for subsequent projects in many cases (MHA1, MHA2, MHA3, MHA7):

"We have used him from the very beginning and would continue to use him because he is very competitive. He also knows the whole social housing scene like what the guidelines are, our requirements are" (MHA1).

In contrast, one respondent seemed to have had particularly problematic relations with a succession of architects engaged for the conversion of an old convent to sheltered housing. It was argued that serious errors led to the his dismissal:
"He was very nice but he got very greedy when he realised it's not your money. His fee increased hugely. Then he put in a stairs going absolutely nowhere and there were two other stupid things he made a cock-up of" (MHA4a).

The fact that his mistakes went undetected until construction was nearing completion suggests a lack of development expertise within the association. Presumably, these problems could have been avoided by formulating a sufficiently detailed design brief or detected prior to construction by thoroughly checking the final plans and specifications. At the time of the interview, the association was planning to redevelop this site and another architect had already been dismissed. Perhaps the earlier detection of these problems is indicative of the respondent gaining expertise:

"We have an architect on-board and he’s done four sets of plans and we think he’s living in cloud cuckoo land! So we have a new man in. We think the success of the new project will be 90% on design" (MHA4a).

Design issues could also prove contentious in cases where the housing association was not the developer. A provider of homeless services tended to enter into management agreements with Dublin City Council for projects developed under Part 8:

"There can be issues about input to the buildings...there were a number of projects where direct input should have been crucial but Dublin City Council has architects and planners and they see themselves as knowing their business. It’s territory stuff and an inability to work in multi-disciplinary teams" (MHA6).

Thus, the respondent felt that the local authority did not always allow the association that would be responsible for the future management of a project to have sufficient input into its design.

**Design Fees**

The lack of funding to cover professional costs was identified as a major problem in establishing a new association:

"Well certainly it was a great problem because we were going out and we were going to incur fairly substantial professional fees, without being certain that we would ever get Departmental approval..." (MHA7).

Two associations addressed this problem by using their voluntary status to negotiate favourable rates for design work (MHA2, MHA7):

"They all wanted payment. They did us a pretty good deal, just under market price, 6.5% for the architect and then there was the quantity surveyor, the engineers and legal fees. In total, approximately 11% of each house was spent on professional fees" (MHA2).

For the second association’s early projects, the engineer charged a favourable rate in return for the supervision contract:
“So from there, we really went into the process of sourcing somebody local to design the housing scheme, negotiating a preferential rate with that person and all the time saying ‘look we’ve no money, we want you to give us a good deal on this’” (MHA7).

However, normal commercial rates applied for later projects, once the association was on a better financial footing. Interestingly, the future tenants of each project helped to fund the design and other professional fees, prior to the association having any rental income, by paying weekly contributions of IR£2 or IR£3.

**Tenant Participation**

Just one medium-sized association seemed to promote tenant participation in the design process. This was facilitated by this association’s self-help ethos whereby new housing projects were driven by demand from groups of prospective tenants. The future tenants met regularly throughout the planning, design and construction of the housing project, enabling them to have some input to the design process (MHA7).

**Planning Permission**

Four medium-sized associations reported problems in obtaining planning permission. Local opposition to the target client group, people with mental health difficulties, was at the root of one association’s planning problems:

“Initially when we’re building we usually get objections. We did get objections for Kilcronan and also for the Edenmore development. Edenmore we went into consultation with the residents but we didn’t find it helpful. Likewise, with Kilcronan we actually made the decision that we would only meet with the officers of the residents associations that were approaching us rather than getting involved in the open meetings that we got involved with in Edenmore that we didn’t find that helpful at all, very rhetoric” (MHA1).

The two medium-sized associations catering for homeless people encountered similar difficulties in obtaining planning permission, as a result of community opposition (MHA6, MHA8):

“Local people have huge concerns about new projects even if it’s a mainstream block of apartments. Things like safety and property prices, perceptions - myths about homeless people have grown up over the years. People perceive them as being dirty, which is pretty normal if you live on the street. They operate on stereotypes. Organisations like ourselves have to think more seriously about working with local communities. We’re going in at an earlier stage, with information about the type of project and the types of people to be housed and give undertakings about the management of the estate” (MHA6).

Technical issues, such as locating services connections (MHA3) and relocating a right-of-way (MHA2), have also caused difficulties at the planning permission stage.
6.4.3 Small Housing Associations

Design Team Selection

In just one case was the selection of the design team subject to any form of competitive selection, whereby two quotes were sought from local architects (SHA7). Both advice networks and local knowledge seemed to play an important role in the selection of design professionals, with the majority (ten) of small associations selecting local architects or engineers on the basis of recommendations or personal contacts:

“He was recommended, he was working locally, he’s based in Cavan town” (SHA6).

“We hired a local architect as well, we did it on our knowledge of the local scene” (SHA7).

“We selected him ourselves. We heard about him through his work with other schemes. Actually, he’s an engineer” (SHA11).

It was rare for a design professional with additional expertise in a particular field to be required. This arose in just one case, where a specialist conservation engineer was engaged for the refurbishment of old workhouse buildings as a model of best practice:

“Our big job will be the workhouse. We have an architect and we have been speaking to the Heritage Council, so now we need to get them round the table to see what they thought about viable future usage. Our architect is actually a conservation engineer who has worked on Clonfert Cathedral” (SHA10).

Just one respondent had identified an architect without recommendation and disputes ensued:

“He was related to someone in City Hall and I decided that if there were problems, we had his brother! He had done some projects but we fired him within the first eight weeks after building had started” (MHA4b).

The local authorities had not provided design services to any small associations, except where completed dwellings were being transferred (SHA4). Other public agencies did not seem to be an important source of either financial or direct assistance with design work for small associations, with two exceptions. The NBA was engaged to design a project for one association, while the ESB funded architectural services to another; the winner of its competition for community groups (SHA1).

Finally, one association, which was quite different from the others in many respects as it was established by a large Northern Irish association, had several turnkey developments in the pipeline. It was noted that the design team was often already in place with these arrangements, although references could be checked:
“Very often the site comes with architects so we just go with that architect. It would be architects we do know, or if we don’t we can get references. We have experience of using many architects, so we would lock into someone with the expertise to do a particular site” (SHA12).

The architect was usually responsible for the engagement of the rest of the design team for small associations (SHA4, SHA7, SHA9a, SHA9b, SHA11, SHA12). This normally just comprised a quantity surveyor and occasionally an engineer. The association engaged the quantity surveyor directly in only one case (SHA8).

**Satisfaction with the Architect**

The small associations that participated in the research generally seemed satisfied with the quality of the designs commissioned (SHA1, SHA4, SHA5a, SHA5b, SHA7, SHA8, SHA11, SHA13). The same design team was sometimes recruited for any subsequent housing projects (SHA1, SHA5b). With the benefit of hindsight, two respondents felt that certain design issues should have been addressed differently but that this was due to a lack of experience rather than the fault of the architect. These issues related to the types of modifications required by elderly tenants (SHA9a) and the suitability of one-bedroom units for tenants with special support requirements (SHA4). Both respondents felt that they had gained considerable knowledge regarding the issues to be considered in the formulation of the design brief. However, five small associations had encountered serious problems during the design process (MHA4b, SHA4, SHA6, SHA9a, SHA9b). In each case, these problems related to designs deviating from the association’s requirements:

“The architect does what you tell him although in our case he didn’t stick entirely to it!...Architects generally want to put a thing of their own onto the development” (SHA6).

“We have had our difficulties with those people, we’ve had three different men. A couple tended to take over themselves and didn’t listen to what the Committee wanted. So, we did change half-way through one project” (SHA9a, SHA9b).

“...he was useless. We went out to look at it and we said ‘that’s grand, that’s grand, where’s the kitchen’ and he said ‘what kitchen?’. It was too late at that stage, we had to take two toilets out” (MHA4b).

For example, an NBA architect failed to meet one association’s design brief for accessible, low-maintenance houses:

“...they were supposed to be wheelchair accessible. But they’re not because of that idiot of an architect, he put loose shale in the front and narrow gateways. He also put in wood windows when we had asked for PVC. That was all the architect’s fault, he was from the NBA and he got an award! He was just interested in making a name for himself, this idiot. The drawings looked fine but the problems with the materials were in the spec, which is a huge document...He did a nice design and scheme but he messed up access. He was an ignoramus! Like he put in curved walls onto the houses that added IRE78,000. If he had only done what we asked! We wanted PVC fascias and windows and so on because there’s no maintenance with them but he put in wood. It will cost IRE36,000 for new windows, doors and fascias. The
maintenance problems, we could have done without. We're going to get them redone in aluminium or PVC eventually" (SHA4).

Thus, it appears that small associations occasionally suffered from a lack of experience in drawing up detailed design briefs, together with a lack of suitably qualified staff with the time and expertise to examine the detailed designs and specifications.

Design issues also proved problematic for several small associations which were not the direct developers of their housing projects. The importance of having strong input at the design stage, in order to safeguard against future maintenance problems, was highlighted by an association with the benefit of the staff of its large, Northern Irish parent:

"We check all of the drawings in-house, not by an architect but by experienced, capable staff. With a traditional scheme and design-and-build schemes, we employ an architect and buy-in all the technical expertise we need. But we will be responsible for maintenance and so on, so it’s important that we have input at the design stage, with qualified building staff and our clerk-of-works" (SHA12).

Satisfactory housing-association input to the design process seemed difficult to achieve when the association was not commissioning the designs. With developer-led projects, there seemed to be fewer opportunities to influence the process:

"For housing associations that wish to grow, turn-key purchase is very important but you cede control over design" (SHA13).

The importance of forging partnerships between associations and developers at an early stage, in order to facilitate greater input, was highlighted (SHA12). The local authority designed and constructed a project for transfer to a small association in just one case. Although the respondent was satisfied with the quality of the designs, he argued that he would have liked more input, particularly with regard to estate layout:

"With Corrach Bui, we had no input but it was a very good design. We had input into the location bit, of the flats and the houses... I would like input to...the estate layout because that has caused more problems in the past...The layout should encourage community" (SHA4).

Design Fees

It seemed unusual for a small association to engage an architect to work on a normal, commercial basis. Small associations addressed the problem of the lack of availability of funding under the funding schemes prior to the commencement of construction in a number of ways. One association had secured an architect on a ‘no foal, no fee’ basis, whereby the design fees were waived in the event of planning permission or funding approval being refused:
“He was able to respond quickly and do ‘at risk’ work where, if it doesn’t get planning permission, he doesn’t get paid” (SHA13).

However, it appeared that many architects were not prepared to undertake substantial design work on this basis, particularly at busy times (SHA4).

“Then, we looked for an architect on a ‘no foal - no fee’ basis because we didn’t get funding for an architect. But it was hard to get architects because there was a bit of a boom so the NBA said they would do it” (SHA4).

Four small associations took the alternative approach of negotiating preferential rates for design work, on the basis of their voluntary status and limited funding:

“...he’s a very nice fella, a real architect and very good for social housing, exceptional, he’s very cheap” (SHA1).

“We got a city-based architect, someone we knew, who did it a lot cheaper. He did it for a fixed fee for both projects, rather than the usual percentage. For the second project, we even applied for additional funding and gave him more because it was too cheap!” (SHA5a, SHA5b).

In spite of negotiating a reduced rate, the problem of obtaining funding to pay design fees remained. In common with a medium-sized association which was part of the same network in south-west Kildare (MHA7), weekly contributions from the future tenants were used to pay one association’s professional fees (SHA11). In other cases, the architect not only charged a reduced rate but also agreed to wait for payment until the project went on-site (SHA7), or the normal commercial rate was charged but the architect agreed to accept delayed payment (SHA8). Finally, two associations obtained funding towards design fees from other public agencies including the health board (SHA6) and the ESB (SHA1):

“We won the competitions with the ESB, we won that for two years, the last year - we never won the final, we always won the area...Mick Morris, he was the architect for the Ward House...he used to come down to us every month... the ESB were paying for him...” (SHA1).

Tenant Participation

Just two of the small associations seemed to have adopted measures to promote tenant participation in the design process. Both of these associations were community-based and catered for low-income families. In these cases, participation in design was facilitated by the early identification of the future tenants. Tenants’ views on various house plans were sought, although neither architect seemed to have consulted the tenants prior to producing the designs. Some choices regarding internal fixtures and fittings were also given in both cases:

“The tenants had a say in the design of the houses. They were shown a couple of plans for three-bedroom houses and they selected the one they wanted, down to brick on the front or
plaster. Also whether to have white or wooden kitchens, those types of choices...All of the houses had to be the same and it was a majority decision” (SHA11).

“...in theory it’s great [participation], but you have ‘Oh God, who do they think I am?’ and they won’t know...they can’t know. Like, to me, you get people and say ‘There’s what we have. Now, what can we do with that?. You’ve your three-bedroom house, you’ve got this, you’ve got that, you know, that’s all we can give you’. Like, to bring them down here and talk to them about things, somebody says ‘Oh, it’s a great idea to have this and a great idea to have that’. Despite that, we did listen to our own people, ‘What do you think of this design?’” (SHA1).

Thus, although the latter respondent did seek the tenants’ views on various designs, he felt that the tenants would have been intimidated by greater opportunities to participate in the design process. In contrast, most small associations did not have any arrangements to allow tenants to participate in the design of their future homes. This included the third association which catered for low-income families and selected the tenants at a sufficiently early stage, which argued that there was no demand for participation:

“We had regular open meetings with the 32 prospective tenants, they could bring their parents and friends. As soon as they saw the houses, they fell in love with them so there was not much input from them. There was only ‘which house will be mine?’” (SHA8).

The remaining associations tended not to allocate tenancies until the project was nearing completion, precluding participation at the design stage. Similarly, it was argued that participation was not feasible for transitional or emergency accommodation:

“...most of our tenants come from refuges which is a crisis-based service, it’s not a long-term service...and they have to be there for a month before they can be referred to us. So really, it just isn’t possible to do that [participation]...But having said that, I mean we’re learning all the time, we’re looking all the time, at what works and what doesn’t work because we talk to the tenants all the time” (SHA2).

Planning Permission

Eight small associations had not experienced any difficulties in obtaining planning permission (SHA1, SHA4, SHA5a, SHA 5b, SHA7, SHA8, SHA9a, SHA12). However, a sizeable proportion of small associations did encounter problems with technical issues or local opposition (SHA2, SHA6, SHA9b, SHA13):

“...we looked at projects all over. We probably would have had eight or nine projects that got as far as planning but then encountered difficulties. There was one in Wexford and one in Clare that were refused planning...we hadn’t bought the sites, that was subject to planning permission” (SHA13).

Local opposition had caused delays in several cases. One association encountered community opposition to an application for a transitional housing project catering for women who were homeless as a result of domestic violence. It was feared that the development would attract the tenants’ abusive ex-partners to the area:
"...Killester is slightly different in that it's an old area and there was a lot, a lot of local opposition before we went out there...it was just pure prejudice. And there was a very vociferous Fianna Fáil TD who spearheaded it and who really said they don't want those kind of children mixing with their children, that was one of the issues of the day. A lot of it...was based on prejudice...and fear and I would say I understand people's fear of maybe having violent men hanging around or whatever...But I would actually say that in Killester, there are very few problems like that, no more than in a lot of ordinary housing estates" (SHA2).

Serious problems also arose for another small association, with the formation of an action group to oppose a proposed project for low-income families:

"With the new social housing, there's a group of five or six people who had opposed it. Before we got to planning permission in the last six months, they set up a committee...There has been a lot of misinformation and scare-mongering about the family housing coming from the action group, saying people would be coming in from Moyross. They went from house to house looking for signatures" (SHA9b).

Interestingly, this association had a sister-association, which had already constructed several housing projects for the elderly in the same village in Limerick without any opposition. Perhaps most surprising was the opposition to an application for a twelve-unit project for elderly people, replacing the four existing bungalows on the site. Leitrim County Council's decision to grant planning permission was subject to a third-party appeal and An Bord Pleanála refused permission. However, the only appellants lived adjacent to the site, so perhaps their objections were based on genuine technical grounds, such as overlooking:

"...two neighbours, one on each side appealed to An Bord Pleanála. They had their own reasons for it. We didn't go for an oral hearing or anything like that...We were told by the architect that he couldn't see it being turned down but it was turned down. We were always in co-operation with the county council because funding had been approved and planning permission granted...They nominated me to go and talk to one of these families. I didn't do it because I felt we shouldn't antagonise the public, it's a small rural place" (SHA6).

6.5 FUNDING APPROVAL AND PAYMENTS

The success of an application for funding under the voluntary-housing schemes is determined by two separate factors. The terms and conditions of the CAS and the LSS are clearly of crucial importance with regard to the feasibility of a proposal to develop a housing project. These funding limits and so on are formulated by the DOEHLG and strong central control is exerted over their application, with the Voluntary and Cooperative Housing Unit sanctioning every funding application approved by a local authority. The second factor is the local authority's approach to administering the funding schemes. If costly delays are to be avoided, the local authorities must co-operate with
housing associations and deal with funding applications in a competent, effective and efficient manner.

**6.5.1 Large Housing Associations**

The LSS was the primary source of funding for the three largest associations, which were all engaged in the large-scale provision of housing for low-income families. The comparative advantages of the LSS were the availability of funding to cover 100% of the costs, together with a management and maintenance allowance. The cited disadvantages of the CAS included the shortfall of up to 10% in funding and the lack of any provision for management and maintenance. These associations argued that they could not make the 5% or 10% contribution required under the CAS, as they lacked sufficient financial or land resources and could not afford to service private borrowing:

"We use LSS for almost 100% of our schemes and we have just a couple under CAS. We don’t have access to land or additional funding and the rents aren’t high enough to service loans. To a large extent this prohibits the use of CAS" (LHA2a).

"...in more recent years, because the CAS funding wasn’t adequate, particularly in the Dublin area, we have tended to use the LSS more often...The CAS has the disadvantage that there is no arrangement in relation to the management and maintenance costs built into that scheme" (LHA1).

The three remaining large associations relied primarily on the CAS. These associations all managed less than ten projects and catered partly (LHA4) or wholly (LHA5, LHA6) for homeless people. This was interesting as the only defined revenue funding scheme for special-needs housing is the S.10 or Homeless Agency payments for accommodating homeless people. The importance of access to adequate funding was highlighted, arguing that unrealistic limits under the funding schemes had adversely affected the quality of housing provided in the past:

"It depends on the context of the money and experience available at the time, like this convent would be done differently now. The funding regime does influence the quality of what you can do" (LHA5).

Two large associations felt that the terms and conditions of the schemes were contradictory, as there was a considerable shortfall under the CAS, while the LSS provided 100% funding:

"With supported housing, you need communal facilities and offices. If there’s a shortfall you won’t do it, you have to take risks. Rental income won’t pay staffing costs and pay back a loan. There are contradictions in the system, you get either 90% or 100% funding” (LHA5).

One respondent argued for the removal of the differences between the schemes:
"...an important part of our policy, and indeed working with the ICSH has been to move towards minimising if not getting rid of any difference as between the two schemes with regard to capital funding...I certainly don't see why, if the local authorities are funded to provide a dwelling for a homeless person up to 100% of the cost, why the housing association...shouldn't get the same funding. But I'm aware that there are some people, perhaps for traditional and cultural reasons and so on do feel that if you move fully into 100% funding, that that implies 100% state control. But that's not my experience..." (LHA1).

The high output of most of the large associations meant that it was not feasible to examine their interaction with the relevant local authority regarding each individual housing proposal. However, it was possible to investigate the respondents’ general experiences of dealing with the local authorities regarding funding applications. Two associations felt that they had fostered good relationships with the local authorities and viewed them in a very positive light:

"We cannot say we have any difficulties with them. We’ve had a very good relationship over the years...In the Dublin area, they do promote voluntary housing. That’s the city council and Fingal, we don’t operate elsewhere” (LHA4).

"Brilliant! They have been really terrific. F_ [Dublin City Council official], he was the man who knew everything about homeless services...” (LHA6).

Interestingly, both of these associations catered either entirely (LHA6) or partly (LHA4) for homeless people, supporting the proposition that political pressure has forced the local authorities to improve funding for homeless services. However, one of these associations recruited a consultant to guide it through the funding approval process for one of its large housing projects, implying that the funding schemes may not be very accessible, even for large, fully-staffed associations:

“I think the S_ [housing association] wasn’t as clued in to the CAS scheme as they were when it came to York House. We employed a consultant who said they knew all about it but we had to raise an awful lot of money so I think they weren’t as good as they said they were” (LHA6).

The respondents from the four remaining large associations expressed more mixed views about the local authorities. Some were deeply critical of the manner in which they administered the funding schemes, describing them as bureaucratic, slow, inefficient and indecisive organisations that do not engage in strategic planning:

“The system of administering loans is so appallingly inefficient. We’re in the worst position because we sign the contracts and they make the payments” (LHA2a).

“I have found them in general co-operative and well-meaning but they have out-dated structures and practices. They have systems that are more tolerant of bureaucratic methodologies than of commercial realities - they’re damn slow! By and large, they’re inefficient, absolutely inefficient. It’s atrocious! We’ve wasted more money because of local authorities than you can imagine...Most of the delays occur in planning and not including organisations like ourselves and Clúid in the process of planning. You’re left at the end of a day with bits and pieces of a scheme. Also, they don’t know themselves what they want. Or even what they do and don’t own. We once went to work on appealing a site in Mayo, on
getting planning permission on a site they didn’t even own! That cost us more than IRE16,000. Local authorities are not into networking with planning or finance. We suddenly know when we put in a tender that ‘oh, we can’t afford it’. It’s inexplicable with a crowd with so many resources that they can’t plan. If someone here was going on holidays for a fortnight, they would give an invoice to someone else to look after, they wouldn’t just go off and leave it. If we send in a tender to the local authority, it could still be on someone’s desk in four weeks’ time. Under the social housing schemes, we don’t get one cent of any of our costs - consultants, fees, acquisition costs - all of those are met by ourselves until we go on-site. And if the local authority changes its mind before we go on-site, we don’t get any of it back. You’d be amazed how many times that has happened!” (LHA3a).

The local authorities were further criticised regarding their perceived failure to foster voluntary housing. The importance of the attitude of the relevant housing officials towards the sector was highlighted:

“I would be critical of the local authorities. Voluntary providers are sometimes competing for the same things but the local authorities often have not been proactive in identifying social housing need and setting it up. It’s often about individual relationships with people and whether they are straight with you...The local authorities could be so much more enabling. They could do so much more to encourage it. It’s about attitude, ambivalence and personnel.” (LHA5).

It was argued that some local authorities were fundamentally opposed to housing associations, as they pose a threat to the traditional local-authority remit:

“Some local authorities feel a lessening of their powers and warn that we’re stealing their funding” (LHA2a).

“In the beginning in the 1990s, the local authorities had the attitude that they were superior to voluntary providers. That’s now changing a bit and I think they will help us. We now need active assistance. Sometimes local authorities won’t back us, when there are problems, they’re gone” (LHA5).

However, several respondents did report considerable variation both over time and between local authorities:

“...I’ve dealt with nearly all the local authorities over the past 25 years...I think there was significant variation over the years...and...between local authorities. In some local authorities, you would have...individual officials who would be quite enthusiastic, quite interested, quite supportive and involved. In others, simply no interest, or if they were interested, completely unable to understand...what was needed to make the thing work. But overall...I would have to say that there could have been no expansion of co-operative housing in Ireland without the active support of local authorities” (LHA1).

“The local authorities we have dealt with are Waterford City, Limerick City, Dublin City and Fingal. We found most of them favourable and helpful in some ways especially Dublin, Fingal and Waterford. Limerick has been less helpful in recent times” (LHA5).

“It does vary. Some of them are hugely supportive, like Dublin City Council and some are hugely obstructive, like Fingal. Some don’t want to deal with us at all. It really does vary. The dependency isn’t good for the sector and it won’t be good for them in the long-term. There is a role for them in planning and need but they don’t have to be involved as much as they are...” (LHA2a).

There did not seem to be any consensus among the large associations regarding how they would like to see the local authorities’ role develop. One of the respondents cited above
clearly felt that the local authorities’ role in the funding approval process should be restricted to the fields of planning and housing need (LHA2a). Another respondent from this association argued that the present system of dual-approval gives rise to uncertainty and delays:

“You have to get permission from the local authority for costings and it still goes to the DOE to be approved. It’s an unnecessarily complex development process. There are clear problems of certainty and speed. We can have schemes ready to go for two or three years but they can be knocked down and we don’t know why” (LHA2b).

In contrast, another association felt that the local authorities’ role in the funding approval process was important, as they have local knowledge and elected representatives:

“I wouldn’t like to bypass the local authority they are responsible locally, with elected representatives. You have to keep them in the loop, they have to know what’s going on in their patch” (LHA4).

Similarly, another association argued that any difficulties with the local authorities were understandable to a certain extent, as they have a wide range of housing responsibilities and are facing many new challenges, in addition to being large organisations which take time to change. This respondent did not seem in favour of restricting the local authorities’ role either. It was argued that the current system should not give rise to serious delays:

“...if you get the paperwork right and press the matter carefully...once the local authority has done the approval correctly with the correct papers and data and that kind of thing, there is no reason why the Department wouldn’t sanction it” (LHA1).

### 6.5.2 Medium-Sized Housing Associations

The two medium-sized associations specialising in the provision of housing for low-income families utilised only the LSS and seemed satisfied with its operation. The six remaining associations primarily utilised the CAS, reflecting the fact that they were predominantly catering for tenants with special support needs. It was argued that the comparative advantage of the CAS was that the association had greater freedom to set the rents at levels adequate to cover management and maintenance costs:

“We would use the CAS scheme by and large, up until now we have always used it. It gives you 95% of the cost and allows you to set the rent at the level you choose. One of the reasons that some people use CAS is to set the rent at whatever level they deem appropriate to cover maintenance and have sinking funds” (MHA6).

However, meeting the shortfall in the capital funding provided under the CAS posed problems for some associations. This shortfall was generally met through fund-raising, occasionally topped-up by private borrowing:
“We fund-raise a lot...we did get a very large donation from First Active Building Society, they gave us £140,000 towards the purchase of a property two years ago and it was topped up by money from St. Brendan’s Mental Health Association who were winding up and they had something like £70,000 that they wanted to give to an organisation that would benefit people with mental health needs...So that gave us a development fund...we are able to purchase a house on the open market and then draw the grants down from the DOE so it kind of released another £200,000 - over £200,000, to purchase another property...but we haven’t been able to access any more big funding” (MHA1).

“We had to raise 10% for Oakdene and for here on fundraising and overdrafts” (MHA4b, MHA4a).

Another association adopted a more novel solution. Elderly tenants were offered the option of using the proceeds of the sale of their old homes to make an interest-free loan to the association, in return for lower rents (MHA3).

Regarding the administration of the funding schemes by the local authorities, none of the medium-sized associations that participated in the research reported any major problems or delays arising during the funding approval process. Some of these associations viewed the local authorities in a very positive light:

“In fairness. I have to give them great, great credit. They are very good and supportive of voluntary groups. I couldn’t criticise them” (MHA4a).

“We have had good relations with all the local authorities and no great difficulties with the funding between the local authorities and the DOELG” (MHA2).

“Their staff in the Loans and Grants Section are very helpful. If we have a property that we think might be viable, they’re always very willing to have something put in front of them so they can send it on to get comments on it” (MHA1).

Other respondents felt that, although the local authorities were generally co-operative, there were some negative aspects of dealing with them. For instance, one association expressed the view that local-authority officials had been as helpful as they could but were hampered by their lack of experience in administering the scheme:

“...they were reasonably co-operative and helpful...Dun Laoghaire Corporation weren’t used to it because they didn’t have many requests so funding it was troublesome because they weren’t used to it” (MHA3).

Another association felt that the local authority had been generally co-operative but slow in granting funding approval:

“Well, they passed everything we produced but you’d be waiting for years for the Corporation” (MHA4a).

Similarly, the view was expressed that both local-authority officials and elected representatives had been as helpful as possible, within the context of the extremely bureaucratic nature of the organisation:
“Well they were very helpful for Kildare County Council! Kildare County Council mightn't be noted for being helpful. I suppose maybe some of our tenants and some of our directors wouldn't be as fulsome maybe as I would be. But, given the kind of way in which the county council operates and the sort of excessively bureaucratic nature of the organisation, I think they have been in fairness particularly helpful. And you know the officials in the Housing Section and the County Manager in fairness to them have been positive and constructive and proactive, I would use all those terms, and I don’t think we'd have seen the number of developments that we have if they weren’t” (MHA7).

A Dublin-based provider of homeless services suggested that some initial difficulties are inevitable, when two contrasting types of organisation begin to work together:

“I think they've been ok by and large. With these projects they've been ok. Nothing's perfect with these projects, you have two different cultures coming together and until you find out how each other works there can be some friction. But I think they've been ok” (MHA6).

Just one medium-sized association made the more serious allegations that local-authority officials have an anti-customer attitude and are opposed to housing associations:

“We have been told off the record by City Hall that housing associations are here no time and they're inept...The clerical officers have an attitude problem and their anti-customer attitude sticks with them as they work their way up. The partnership thing has been pretty hard to follow for people who were trained differently. But if they could speak to the same people, like a profile of each resident, you would see a whole change in awareness” (MHA4a).

Even in this case, the respondent praised the local authority, saying that she personally had never experienced any difficulties.

Local authorities did seem to vary somewhat with regard to the administration of the funding schemes. One respondent argued that one of the authorities he had worked with had been fussier over minor issues and slower making payments than the other, although no major difficulties were reported in either case:

“We have three developments in county Meath and one in Dundalk UDC. One or two of the directors are not happy with the Housing office in Meath but in the end, we got it built. It’s down to personality. We did a fine job in the end...With Dundalk, I was very impressed by the efficiency and the payments...With Meath there were a few small things, they were not as quick as Dundalk and they were finicky over small funding things. But you can’t complain at all” (MHA2).

In spite of these criticisms, no major problems or delays in securing funding approval were reported by any of the medium-sized associations. With regard to the smooth negotiation of the funding approval process, two respondents noted the importance of securing the support of key officials within the local authority:

“There is a trick to it. I could write to City Hall for twelve months and not get a reply. Over the years, you make contacts and you keep them and meet them. I would have housed people they cannot house so they owe me and I owe them...You deal with the senior guys and then they refer you down” (MHA4a).
"Their Chief Engineer...was extremely useful. We were lucky in finding people who took us under their wing. We have a history with Dundalk, a project that fell through but we remembered one another and came back" (MHA2).

Two further respondents felt that the inclusion of elected representatives on their boards proved advantageous at the funding approval stage (MHA5, MHA7). One chairperson was a councillor and TD and he felt that elected representatives are well placed to gain access to information and influence decisions. For example, he was able to ask a parliamentary question about the progress of a proposed voluntary-housing project at the Curragh Camp (MHA7).

Interestingly, one association had found it necessary to hire a consultant specialising in sheltered housing to help the association to negotiate the funding approval process, suggesting that less experienced associations may encounter difficulties in this regard:

"...we had retained the services of a sheltered housing consultant who was semi-retired at this stage. He was primarily looking at funding generally for us and when this new project was being considered, we asked him to look at funding for it....for that project he helped us quite considerably. He opened up a lot of doors and eased the process quite a lot for us. I don’t think without his help it would have progressed as fast as it did" (MHA3).

6.5.3 Small Housing Associations

Five of the small associations that participated in the research utilised the CAS (MHA4b, SHA1, SHA7, SHA9a, SHA10), while one relied on its own resources as its only housing project had been constructed prior to the introduction of the funding schemes (SHA6). All of these associations were catering for people with special needs, including elderly people and people with mental health difficulties. The majority had utilised the LSS to develop some or all of their housing projects (SHA1, SHA2, SHA4, SHA5a, SHA5b, SHA8, SHA9b, SHA11, SHA12, SHA13). Most specialised in providing housing for low-income families but, surprisingly, others were catering for elderly people and women who are homeless as a result of domestic violence.

Small associations were almost evenly split regarding whether or not problems were experienced with regard to securing funding approval for proposed housing projects. Seven small associations (SHA4, SHA7, SHA8, SHA9a, SHA9b, SHA11, SHA13) had obtained funding approval without any major problems or delays. Several respondents expressed

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1 It is important to remember that associations utilising the LSS were probably over-represented in this research, as a result of the sampling methods adopted.
great satisfaction with the level of co-operation and assistance they had received from the relevant local authorities:

“We had 100% co-operation and support from the council and the health board” (SHA7).

“At the giving out of the keys, there were council officials present and we paid our respects to the officials. Many of the officials bent over backwards to assist us” (SHA8).

“We had on-going talks with the council. There were no problems with CAS and we can’t speak highly enough of the council” (SHA9a).

“No problems, it went smooth as clockwork. Payments were on time and there were never any problems. South Tipperary County Council were always accessible, it was great” (SHA12).

Nevertheless, several of these associations did mention some negative aspects of dealing with the local authorities. For example, one respondent noted that a lack of familiarity with the funding schemes occasionally leads to delays:

“In general, if you get people who know their job everything is fine. There are problems if someone obstructs, usually not because of a wish to obstruct, but because of a lack of familiarity with the procedures. The new manual from the DOE is a great help in that regard...You might have trouble finding the right person but if you go through the named officers they are very good. They’ve been given a brief to support voluntary housing and in general they do that” (SHA12).

It was also noted that promoting voluntary housing is in the local authorities’ interests, as housing associations contribute towards reducing both their housing waiting lists and maintenance expenditure:

“We found them very good, there were no problems whatsoever...I suppose both the local authority and the health board have a vested interest really because the people in those units would be in geriatric hospitals or residential care far before their time. All the maintenance issues we have would be Kildare County Council’s if it wasn’t for those units” (SHA7).

“They [Limerick County Council] were absolutely wonderful!...We have absolutely no complaint; we couldn’t speak highly enough of them. But that works both ways because in one way we were doing their job and in another way we are very good value-for-money. Our approach is that we do our deals as if we were paying for it out of our own pocket” (SHA9a, SHA9b).

Several small associations seemed to have developed cordial, productive relationships with the relevant local authorities, with mutually beneficial outcomes. An example of co-operation on an issue other than funding approval was provided by a co-operative in Galway City, which was contracted to provide pre-tenancy training for local-authority tenants along similar lines to its own course:

“One thing that worked was the pre-tenancy course, the Corporation copied the co-operative’s idea and we did all of the Corporation’s tenant training...We did two courses and then they carried on themselves, after that” (SHA4).
In another case, an association in Leitrim allowed the local authority to use part of its site, which had been purchased without the aid of any public funding, to provide emergency accommodation for a local woman:

"Some years later, an old lady applied for housing to the county council and also to us but we had no housing at the time. It became an emergency because her roof fell in! We came to an agreement with the county council, that we would provide the ground and they would provide a pre-fab. We would look after the costs of sewerage and water as they were already on the site. But we couldn't get the rent; that went to the council" (SHA6).

Three associations were established and chaired by politicians (SHA5a, SHA5b, SHA8), while some other associations felt that enlisting the help of local politicians at the funding approval stage helped to prevent delays:

"We had great support from...Jack Wall, who still is a local Labour TD...A Labour Minister, Roisin Shortall, I think had the DOE at the time. Jack Wall worked for us. Maybe we would have got it anyway but it didn't do any harm. We were approved for a grant of 1R£27,000 in 1996, the maximum value at the time..." (SHA7).

"The DOE took a while for approval, we were a new group. But we had three Ministers in town at the time and one was in the DOE so it was easy enough to get him to take an interest when things didn't seem to be moving" (SHA4).

In contrast to some of the productive partnerships between local authorities and housing associations described above, five small associations (SHA1, SHA5a, SHA5b, SHA10, SHA12) reported very negative experiences of dealing with them. Difficulties in securing funding approval for proposed projects included non-response to proposals, conflict regarding design matters, delays in the payment of funding instalments and problems relating to multiple funding sources. There was also widespread criticism of the local authorities regarding high staff turnover and inexperience, even from respondents who had not experienced any great difficulties during the funding approval process.

Non-response to proposals for new housing projects did not seem to be a widespread problem for small associations. However, a non-community-based association with a Northern Irish parent, argued that it was not uncommon for its proposals to fall through, as a result of delayed or non-response from local authorities:

"If someone approaches us with land, we write to the council and await a reply. Sometimes you can wait forever...Mostly [dealt with] Donegal and Monaghan. We've written to Cavan, I don't think we ever got a response...there's the possibility of a design-and-build in Bridgend just across the border in Donegal. We asked them about six months ago and they say they're looking at it but we never got a formal reply back" (SHA12).

Serious delays in obtaining funding approval only seemed to arise in one other case, as a result of conflict regarding design matters. It took about four years for this association to
secure funding approval from Wexford County Council to construct ten houses for low-income families on a site provided by the local authority:

“…from 1996 to 2000, about four years to get approval...That was all trying to get the funding going...It went so bad, that the rest of the board told P. [chairperson] ‘For God’s sake, do you know what you’re doing? Forget about it, it’s not worth it’. But he said ‘No, I have ten people there who want a house’ he said ‘and I want to give them one’ and he kept going...It was one thing after another” (SHA1).

The local-authority architect was blamed for many of the delays, as changes to the designs were required at a late stage, necessitating the submission of a second application for planning permission. However, it was unclear whether or not the local authority was consulted prior to obtaining the original permission. Further disagreements arose regarding the standard of fixtures and fittings to be provided, causing a six-month delay:

“Then they try to dictate to us what we should put in the houses. We shouldn’t put oil-fired central heating into them, we shouldn’t put the fitted kitchens in as standard. Whereas my idea about it is if I house anybody, I want to have central heating in them...They won’t spend the money on them” (SHA1).

Few associations reported delays in drawing-down funding instalments under the funding schemes. One association argued that payments had generally been too slow in the early 1990s as a result of the terms of the CAS but that this problem was resolved with the introduction of staged payments (SHA5a, SHA5b). Just one association reported serious delays in drawing-down funding, which were attributed to inexperienced staff:

“One of the problems was that the housing thing was new to me so I was green but the staff in the local authority were absolutely green...It should have been agreed in advance when the money would be paid over. We got the €1,000 deposit and then €11,000. But nothing was clear, what’s the next step? So I said ‘I’ll leave it and let it come to me’. So I had to get bridging finance in the gap...It was left sitting on the local-authority solicitor’s desk and almost €10,000 interest on the loan had accrued. Whoever is responsible for voluntary housing in the local authority should know the procedure...They were easy to deal with, friendly and approachable but they were inefficient and that cost public money” (SHA10).

Small associations occasionally seemed to encounter difficulties as a result of trying to develop mixed uses or tenures with multiple sources of funding on the same site. For instance, one association had completed fifteen houses for low-income families but funding was still not forthcoming from the Department of Justice, Equality and Law Reform for the provision of a childcare centre with space for meetings above, which had been planned as an integral part of the project. The same project had been planned as a mixed-tenure development but the local authority had failed to provide the funding for the shared-ownership and affordable housing element. Although the development was costed as a whole, reliance on a range of funding sources increased the risk of problems arising:
"...I think the builder if he's not gone bust, he probably will go bust! Ah no, maybe not. But he
didn't get paid enough for the houses. The contract was very favourable to the Department and
the local authority...it was planned as a mixed tenure development. It was intended to have
private housing in there as well. We wanted them to help us get shared ownership and
affordable housing on the site and the builder costed on that basis. But the local authority never
responded and the extra houses were never built" (SHA13).

Another association was planning an ambitious mixed-use refurbishment of an old
workhouse, in spite of its inexperience. The proposed sheltered housing and enterprise
units seemed particularly vulnerable to problems and delays, as funding would have to be
sought from various agencies under a range of schemes:

"Our big job will be the workhouse...The refurbishment will include enterprise units, funded
by Enterprise Ireland and the sheltered housing will be a very big part of it, funded under CAS
and the Heritage Council...But there's no point putting something in that won't pay for itself.
CAS pays for itself and maybe we'll get 5% from the Western Development Commission at an
interest rate of 5.5%" (SHA10).

The limited resources available to support housing associations was subject to considerable
criticism, even among associations which had not experienced any major difficulties in
obtaining funding approval:

"...the county council can't spare you five minutes, because they are so busy they just can't do
it" (SHA1).

Some small associations felt that local-authority officials lack the necessary expertise and
experience to administer the funding schemes effectively:

"...remember this with your local authorities, they haven't got the time, they haven't got the
people...we were building but there's nobody in the county council that's specialist in it, they're housing officers" (SHA1).

"The red tape was what was terrible. It isn't that they wanted to stop us, they just didn't know
how it worked. There was an official in the council who was near retirement who didn't know
how it worked or just wasn't interested" (SHA5a, SHA5b).

In the context of the wide range of housing functions for which the local authorities are
responsible, reports of over-stretched resources are not surprising. High levels of staff
turnover within local-authority housing departments seemed to exacerbate these difficulties
(SHA1, SHA4, SHA6, SHA10, SHA12):

"...there are a lot of changes in housing officers at the moment. I don't think there's one
member in the housing department that's been there two or three years. Some do come back
again but most of them move to finance or different areas" (SHA4).

Problems associated with high staff turnover included inexperience in administering the
funding schemes and a lack of continuity:

"We had a few meetings with the housing officer when we were planning to build the houses
and they were very good. But then they were replaced and it was awkward, the second person
didn't really know the job, they were only learning" (SHA6).
“During the time we were doing it, there was three different loans and accounts officers in Wexford County Council alone. So there was three different staff that you had to deal with...and each was...brand new!...When they came in, they didn’t take up where somebody left off, they started off anew again” (SHA1).

The recent decentralisation of housing services to area offices in many local authorities compounded the problem of high staff turnover. As a result, responsibility for administering the funding schemes was often divided between several officials in different areas, increasing the likelihood of inexperience becoming a problem:

“Donegal is difficult because it is decentralised and they have often moved voluntary housing out as well so you’re dealing with different people in each area. They’re only coming up to speed now. Now there’s an Area Manager for Housing in each area. Before, it was the County Manager for Housing. He was only in the post a couple of years and the fella before him. There’s this problem of turnover of staff” (SHA12).

A more serious criticism was that some local authorities were deliberately obstructive, as a result of fundamental opposition to the expansion of the sector. Some respondents argued that elected representatives naturally oppose housing associations because of the diminishment of their opportunities to influence the allocations process on behalf of constituents:

“...it’s human nature in these situations...naturally county councillors want to be able to build the houses, they’re looking for votes. Remember, when these houses were going up, it was no use ringing the local county councillor...you had to ring P_ [chairperson], who was interested and knew the people first” (SHA1).

“Constraints are going to come through the local authorities. And the politicians, unless they become involved, they see them as competition and organisations that they don’t have as much control over as the local authorities” (SHA12).

Similarly, it was argued that local-authority officials oppose the expansion of the voluntary-housing sector because it is seen as the erosion of their traditional remit:

“The corporation housing officer would see us in opposition to them, as trying to do the work that they are doing whereas I would see us as trying to complement it...The present director of services is a fella who thinks ‘why would we want to do their job for them?’” (SHA4).

“Some are definitely opposed to voluntary housing in their counties. None of them are really proactive...There’s jobs at the back of this - when you take that away, you’re taking the bread and butter away from people. It’s going to cause resentment and mistrust” (SHA12).

One association also cited an example of a local-authority official being wary of housing associations due to a perception that they have a poor management record, which may have been based on isolated incidents:

“Co-operative housing schemes go grand until the houses are built and then a number of problems come into play, rents in arrears, committees fall apart. Then the local authority is called in to pick up the pieces, one of the officials told me that recently.” (SHA8).
A minority of small associations argued that the funding approval process should by-pass the local authorities, with applications being made directly to the DOEHLG:

“It takes six to nine months to get funding approval, they should by-pass the council” (SHA12).

It was felt that a system requiring scrutiny of proposals at local and central level caused delays. It was also argued that the lack of access to decision-makers at central level disadvantages housing associations, as it forces them to rely on ambivalent local authorities to relay information:

“Why is the money given to the council, to give to me? Why the hell can’t the Department come along and deal with me?...I find that if I tell the council something, they’ve got the DOE to tell. My story never gets to the DOE because, first of all, the person doesn’t care about it really. Do you know what I mean, there’s somebody up there with a job to do. To me, I haven’t got the job to do, I’m doing this voluntary...You cannot write down there the story of the Ward House. You think you can, you can have statistics and other things but you don’t have to deal the homeless people...” (SHA1).

“Control has tightened up and the DOE has an increasingly higher input into the process. The county-council architect and the DOE architect have to approve. A turn-key project in Kerrykeel got two planning permissions and they were both rejected by the DOE...You don’t have access to the DOE architect so we can’t put forward our arguments, you get feedback second-hand from the county-council architect. We have developed 2,500 houses and we know what we’re doing. We know how to design all kinds of schemes and get them right ourselves, without too much input” (SHA12).

6.6 BUILDING CONTRACTORS

The selection of building contractors and any problems arising during the construction of voluntary-housing projects are discussed in this section. Housing associations must comply with public procurement requirements, including competitive tendering procedures. Large contracts, with an estimated value exceeding €6,242,028, are also subject to EU legislation, which includes advertisement in the EU Journal. Housing associations may adopt either open or restricted tendering procedures. With open tendering, the contract is advertised in the local and national press, specific invitations to tender may also be extended to suitable firms and all interested parties may submit tenders. With restricted tendering, tenders are invited from a minimum of five firms, identified in a pre-qualification procedure following a public advertisement in the press. These firms should satisfy criteria such as experience, financial standing and technical capacity. This procedure is useful if only a limited number of firms would be capable of carrying out the contract. Housing associations should aim to obtain three realistic tenders, which must be evaluated on the basis of the best value-for-money or the most economically advantageous tender. Public procurement requirements
must also be satisfied with regard to turn-key developments, by advertising in the press for suitable proposals (DOELG, 2002 and Department of Finance, 1994).

6.6.1 Large Housing Associations

The large associations that participated in the research tended to adopt a restricted tendering process, whereby at least five firms are invited to tender (LHA1, LHA2a, LHA4, LHA5, LHA6). Criteria such as the firms' size, capacity and experience of similar jobs were heavily emphasised by the large associations:

"...we generally prepare a list of suitable contractors. We generally, except on a couple of occasions, don’t go for a full public tender. We generally work on what’s known as ‘selected list tender’. In other words, we invite six or eight suitable contractors, for the site and where it is, to tender... we are obviously concerned with track record, that has to be a concern. And their capability too, you know. If you’re wondering why we don’t go for full public open tender - one reason for that is that you will get a huge number of contractors who fancy themselves with that and come to you and it just pushes up the time and cost of operating the tender procedure” (LHA1).

"...the contractor is the lowest bid tender but it is limited to chosen contractors because there is only a number we would feel that could tackle the job, especially refurbishments. It’s not cherry-picking but selective use of the tender process” (LHA4).

However, a minority also used an open tendering process, depending on the scale of the project (LHA2a, LHA5):

"We have advertised or had a limited list for tender. It depends on the scale and is locally determined; the architect generally determines” (LHA5).

In the climate of rapidly increasing construction costs that prevailed in mid-2001, a difficulty with the operation of the funding schemes was highlighted by one respondent. Funding approval was granted on the basis of a cost plan but costs had often increased by the time tenders were invited. It was argued that the submission of a revised application caused delays, with the danger of tenders going out of date before the revised sanction was granted:

"The trouble has been in the last few years, because of rapidly rising tender prices... the tender prices can be much higher than your cost plan... So then you’ve got to do a revised funding application and queries may arise... so that can elongate the thing and that’s where the worry about the tender going out of date...” (LHA1).

One large association had devoted much consideration to the most effective level of supervision of the construction work. It was decided the recruitment of a part-time clerk-of-works to carry-out regular, unscheduled inspections was the best option:

"We had an independent clerk-of-works, who was employed on a sessional basis. We were under pressure to employ a full-time clerk-of-works but our experience was that they become
Some large associations with large-scale development programmes on a nation-wide basis had clerks-of-works on their staff. Clerk-of-works was one of the first jobs created by the largest association in Ireland, when it began to expand (LHA3a).

Large associations seemed to have a greater propensity to directly construct new housing projects, rather than opting for other methods of acquiring dwellings. Thus, the large associations generally retained responsibility for the tendering process. However, the local authorities sometimes elected to construct a housing project for transferral to a large association (LHA2a). More importantly, partnerships with private property developers were becoming increasingly common, including turn-key, design-and-build and Part V developments (LHA1, LHA2a, LHA4). These developer-led housing projects did not involve a tender process as the property developer who owned the site had to become the primary contractor:

"Now obviously, if we're moving into an era where we're working more closely with private developer-builders, then we negotiate our contracts and they come into place. And the key concern there, of course, is best value, both in terms of price and specification, that's important" (LHA1).

6.6.2 Medium-Sized Housing Associations

Medium-sized associations generally seemed to opt for an open tendering procedure, whereby the contract is advertised and all interested parties may tender (MHA2, MHA3, MHA7):

"All of this, I have to say, has been very above-board and transparent. All of our contracts have been advertised in the local press, some of them in the national press and we've had the normal competitive tendering process...we would generally select the cheapest. In fact I think if we didn't, we would have difficulties in getting approval from the DOE but it wouldn't just be a matter of accepting the cheapest, we would do investigations..." (MHA7).

Just one medium-sized association usually opted for a restricted tender, whereby a list of suitable firms is selected and invited to tender. However, inclusion on the list seemed to be based on the recommendation of the architect or directors, rather than advertising:

"There is usually a list of about six or seven contractors on it and it would go to tender... Usually they would be recommended by the architect... we have architects on the board as well. If they knew of a contractor that was very good they would ask for it to be included in it as well" (MHA1).
Medium-sized associations did not normally seem to experience any difficulty in securing the requisite three tenders. One association had experienced problems in attracting any tenders during the late-1990s but interest had increased again by mid-2003:

“Well, during the heady days there of the late 1990s, it was difficult getting anybody to tender. We offered a number of contracts and received no tenders. Thankfully, that situation has resolved itself and there is significant interest now and very competitive rates available out there” (MHA7).

The lowest tender always seemed to be accepted and medium-sized associations reported high levels of satisfaction with the building contractors selected:

“I was delighted with...the contractors. There were a couple of subsequent problems but overall they were excellent...They came back for the snag list. They were excellent builders...” (MHA3).

Few serious problems seemed to arise during construction and those reported generally related to the snagging process:

“Snags seem to be a fairly common problem. But obviously, we employ a retention process where we retain a percentage of the overall contract price. But I found in one scheme, the contractor was prepared to abandon the retention rather than come back and do the work. And that certainly caused a lot of frustration and difficulty...” (MHA7).

“So far, we’re happy with them, we must have been born lucky, we’ve had no great problems. It’s all on time and Laytown was two or three months early. Builders are not interested in snags but that’s par for the course. You have to keep after them and on the whole, they’ve all been done” (MHA2).

There was some evidence that experience of the development process was beneficial. One respondent had become aware over time of which contractors were good and which should be avoided:

“And obviously, as we do more schemes, there is a fairly limited cohort of contractors who tender for this type of work and you very quickly become aware of who are the ones who will get in and get out quickly, who are the ones who you know will do the job very professionally and stand over their work and take pride in it and who are the ones who’ll just bloody well break your heart. All those categories exist” (MHA7).

The same respondent had also discovered that the employment of a clerk-of-works was worthwhile, in terms of achieving a higher standard of workmanship:

“...what we did in the early ones, our consulting engineer provided supervision but obviously, he wasn’t going to be able to do days supervision on contracts. So of late, we’ve been employing a clerk-of-works and, while that drives up the overall cost of particular developments, it’s worthwhile and it’s essential in fact to ensure that the work is being done to the proper standards. Because in the schemes where we didn’t have the clerk-of-works on-site, we paid a price later on for not having that level of supervision in place” (MHA7).

The importance of ensuring adequate supervision of the building work was also emphasised by another respondent. This association had relied on the local-authority clerk-
of-works for its early housing projects but employed a clerk-of-works directly for subsequent projects:

"In Kells, they sent their clerk-of-works or foreman once or twice a week to keep an eye on the work and check it was being done. It was mutually beneficial, it makes sure the work is of a good standard. With Dundalk, the DOE funded a clerk-of-works or engineer" (MHA2).

There was some evidence to suggest that housing associations were able to exploit their voluntary status in order to develop more efficiently than the local authorities. For example, one association always negotiated fixed-price contracts, whereby the contractor could not increase his fee as a result of increased costs:

"...I must say that generally speaking, the contractors that we have worked with have been very helpful, very flexible. In all of the cases, we have agreed fixed-price contracts. Now that's important to mention because local authorities don't. Local authorities tend to have price variation clauses in there, which adds substantially to the end cost. We would say to the developer 'look, we're very sorry, we're a voluntary association, we don't have boundless funds, this is what we've got to spend and we don't have any more. And if it's necessary to buy out a price-variation clause, then we'll do that, in order to have strict control. And I think all of our projects have come in on budget" (MHA7).

Older projects did not have to comply with modern public procurement regulations. For instance, the refurbishment of an old convent as a sheltered housing complex in the late 1980s was undertaken by 'direct labour'. A foreman was employed and he, together with a director, hired their team of workers directly:

"This was built by direct labour in 1988 and it was done in twelve months. Again, D_ off the board dealt with the building and we had the same foreman. We gave out the electrician's contract but they did their own plumbing. They advertised and interviewed and hired their own team...You couldn't do it nowadays, you have to put it out to tender and you can't get tradesmen now. I'm looking for a plumber for the last twelve months. And there are too many rules and regulations to protect everyone." (MHA4a).

Other dwellings acquired by medium-sized associations were not developed directly by the association, so they were not subject to the same tendering process. Some associations purchased completed dwellings from private developers under the funding schemes (MHA1, MHA8) or acquired units under Part V (MHA2, MHA7). Construction work was in the hands of the developer so there was no tendering process. Other associations forged partnerships with larger associations (MHA6, MHA8), local authorities (MHA6) or other public bodies (MHA1), which refurbished or constructed dwellings for transfer to the association. In these situations, the selection of the building contractor was the responsibility of the agency developing the units.
6.6.3 Small Housing Associations

The majority of the small associations that participated in the research opted for an open tendering procedure, with the advertisement of the contract in the local and national press (SHA1, SHA4, SHA5a, SHA5b, SHA7, SHA8, SHA9a, SHA9b, SHA11). One respondent described this procedure as follows:

“For the builder we went to tender and that took three or four months. It was publicly advertised with tender documents. The NBA prepared the tender document, with all the plans and designs. We charged IR£1,000 to submit a tender, which was refundable if they didn’t get it, it had to be sent back then. It’s very confidential. The architect compares the tenders to the document.” (SHA4).

Just one small association opted for a restricted tendering process. Interestingly, this was the one with a large, Northern-Irish parent-association:

“We would advertise in the paper and based on references and what-not we would draw up a select list based on experience and professional standing. We would possibly approach some. A good contractor is essential to a scheme and we don’t want them to miss the opportunity because they hadn’t seen the paper” (SHA12).

In general, housing associations did not seem to experience any difficulties in securing the requisite three tenders. Between three and six tenders were normally obtained:

“We got five or six bona fide tenders. We picked the first and then picked a number two, in case the first didn’t have the proper tax clearance certificate and so on. It was LMH from Blessington we chose” (SHA8).

However, attracting sufficient tenders did prove particularly problematic for one association, which was trying to develop ten houses in the late-1990s. Only two tenders were received and Wexford County Council insisted on the re-advertisement of the contract. Four or five tenders were eventually secured but the re-advertisement caused serious delays. The respondent felt that the local authority adopted an unnecessarily strict interpretation of the regulations:

“...we put up our contracts...two contractors came back. The council came back and said we couldn’t go ahead until we had three. Of course, you and I and the rest of the country know, to get two contractors is a miracle! The county council were giving out and giving out contracts every day of the week when they only got two. Why do I have to get three? And the whole thing was, it was only a waste of time...in their yoke for tenders they say ‘where possible, three tenders should be obtained’. We only got two tenders. Now, as far as I’m concerned, that’s how things should be and I said ‘listen, you don’t say three tenders, you say where possible’. We put out for fair tenders and we didn’t get them” (SHA1).

With both tendering procedures, the lowest tender always seemed to be accepted (SHA5a, SHA5b, SHA9a, SHA9b, SHA12). Most small associations seemed generally satisfied with the building contractors selected. Two community-based associations seemed
particularly happy with their local contractors. In addition to being more competitive, it was argued that local builders were more accommodating and returned to undertake subsequent work:

“It’s been local men, who have stuck with us through thick and thin. They understood our problems if we were slow in providing the money. But it works both ways, because he wouldn’t have plentiful money either” (SHA9a, SHA9b).

“There were no problems, it was all sorted out between him and the architect at the time. He was good to us really and he has done bits and pieces since, like the showers and the pathways” (SHA7).

Just one association experienced serious difficulties at the construction stage. The contractor went into liquidation as the houses were nearing completion, leaving the directors feeling responsible for the payment of local suppliers and sub-contractors. However, 10% of the fee had been retained, covering their payment:

“The builder went into liquidation in the last week... It was the sub-contractors the builder was leaving high and dry, the electricians, plasterers, the local hardware suppliers. The houses were ready to move in. So we had to pay them, you couldn’t leave them, they were only small businesses. We had his retention and we’re going to take that, 10% is kept for a year. That was enough because the liquidation is not sorted out fully so we held the money since” (SHA11).

Legal difficulties were continuing at the time of the interview. However, the respondent argued that these problems were unavoidable as it is impossible to judge the reliability of a contractor:

“...he had excellent recommendations, he had got awards and he had good credentials, you can never be sure” (SHA11).

Otherwise, any problems relating to the building contractor generally related to the snagging process (SHA8, SHA13, SHA1):

“They didn’t finish the job. They’re finishing it now but we had to turn the pressure on them to finish it ... they were supposed to be finished about two months ago and they’re back for their snag-list” (SHA1).

As snagging can present difficulties for any house-purchaser, these problems cannot be interpreted as the result of a lack of development expertise. With regard to expertise, one respondent felt that networking with other small associations was unnecessary as people in rural areas tend to be knowledgeable about developing:

“I don’t know that we do [network]. I’m a farmer and I’m up to my tonsils working. We’re all busy. We have people in their eighties, with the benefit of life. But country people all know about developing” (SHA9a, SHA9b).
However, the respondent from another rural association implies that a learning curve did exist. He argued that his dealings with the contractor were more satisfactory in the case of his second project, as a result of the experience gained with the first:

“Yes, we were happy with the architect... and the builders. But the second builder was better, we’d been over the jumps and knew what we were looking for” (SHA5b).

A minority of small associations emphasised the importance of supervising the construction process. One association, with a large Northern Irish parent-association, had the benefit of a clerk-of-works on its staff (SHA12), while the architect or engineer often acted as clerk-of-works in other cases. This was normally supplemented by local-authority checks:

“We employed the architect to do clerk-of-works for us so we had good control and the local authority had their clerk-of-works calling, they never knew when he was calling” (SHA11).

Again, not all of the additions to the housing stocks of small associations were subject to the tender process. Projects constructed prior to the introduction of the funding schemes did not have to comply with public procurement regulations. For instance, in the late-1960s, a community-based association simply asked a local contractor to undertake the refurbishment of two bungalows as four dwellings (SHA6). In the mid-1980s, another association refurbished an old barracks as a sheltered housing complex, which was undertaken by apprentice tradesman and foremen employed under ANCO:

“When FÁS was ANCO, a European Youth and Community Scheme, they were all apprentices. We renovated it under CAS and it took about 1½ years. It was great because we had a brilliant foreman and the lads were great. We had one person off the board who dealt with them only” (MHA4b).

Regarding more recent developments, some small associations purchased new dwellings from private developers under the funding schemes (SHA1, SHA10). Others had units constructed or refurbished on their behalf and then transferred, by larger housing associations (SHA2), the local authority (SHA2, SHA4) or other public bodies (SHA2). In these cases, the agency developing the units was responsible for selecting the building contractor. Some small associations were beginning to undertake turn-key or design-and-build projects (SHA12, SHA13). In these cases, the developer owned the land and automatically became the building contractor, subject to local-authority approval of the proposal as good value-for-money. Interestingly, neither of these associations mentioned advertising in the press for suitable proposals for turn-key housing projects, as required by public procurement regulations (DOELG, 2002).
Some problems seemed to be common to associations developing projects directly and those adopting these alternative routes. The snagging process could certainly cause difficulties for associations purchasing new houses from private developers under the funding schemes:

“We had a problem with sewerage and we couldn’t get the builder back...We bought one house at Fisherman’s Wharf under CAS and from start to finish the whole thing took well over two years and we’re still having hassle with the builder” (SHAIO).

This respondent argued that she had learned a lot through the problems experienced when purchasing the association’s first property:

“We had big problems with the builder. Extras were agreed, because the house is rented to health board clients, it had to have over and above the normal fire and safety measures...The builder had to fit doors with plates and so on and he quoted us €3,400. There was no way they cost that much, they should have been about €1,500...We finally agreed on €1,800 for the extras. The snag-list was done by local engineers and we posted it to him. He half-made a start on it. There were about forty things on it and twelve or fifteen were left outstanding. Then the cistern overflowed and stained the ceiling. So, the committee decided he was not being paid for the extras until he had finished the snag-list. And solicitors’ letters have been going backwards and forwards since. The deeds of title had been messed up and had to be signed again and he won’t sign until the original €3,800 paid. So that’s the stage it’s at...In that one house there was a lot of learning” (SHA10).

Thus, experience of the development process still seemed to be important when purchasing a completed house from a property developer.

6.7 DISCUSSION

Housing associations of different sizes had much in common in terms of their overall approach to housing development, although they differed substantially in the scale of their activities. Not surprisingly, large, medium-sized and small associations drew their tenants from catchment areas of enormously differing sizes. The largest catchments tended to be covered by associations managing larger stocks and those intending to increase their stocks substantially. Associations catering for low-income families seemed best suited to covering regional or national catchment areas, while special-needs associations tended not to expand beyond the city level. Most of the medium-sized associations included in the research catered for tenants with special needs and covered comparable or slightly smaller catchments than large associations. Only small associations operated in rural areas. Most were community-based, aiming only to meet identified housing needs among their target client groups in their own localities. These associations were unlikely to expand to meet needs beyond their catchment areas, regardless of government promotion of the sector.
Several factors influenced housing associations’ decisions to develop a housing project for a particular target client group in a specific area, prior to acquiring a site. Large homeless service providers were the only type of association to emphasise the importance of researching housing needs. Large associations catering for low-income families had substantial development programmes and large catchment areas. Reflecting their flexibility with regard to location, their decisions were primarily influenced by local-authority priorities and the emergence of attractive development opportunities. In contrast, local knowledge was the main factor influencing the location of developments undertaken by both small, community-based associations and larger, city-based associations with limited catchment areas and defined target client groups. The preferences of prospective tenants with regard to location were rarely taken into account by associations of any size, with the exception of a few smaller associations with a strong self-help ethos.

Housing associations of all sizes faced the same barriers to development, which have limited the voluntary-housing sector’s ability to respond to the government’s challenge of major expansion. However, their approaches to overcoming these barriers often varied somewhat, according to the scale of their operations. Site acquisition was undoubtedly a major barrier to development for all housing associations. Very few were in a position to secure the necessary finance and take the risk of purchasing land in the private market. Although the local authorities were an important source of development land for associations of all sizes, large associations were by far the least reliant on them. Those with substantial development programmes had forged partnerships with for-profit property developers on ‘design-and-build’ and ‘turnkey’ developments to a far greater extent than either medium-sized or small associations. They were also to the fore in exploring the potential to acquire sites under Part V of the Planning and Development Act, 2000. In contrast, small associations tended to be much more dependent on the local authorities, which were the sole source of development land for many. Public agencies, especially the health boards, were occasionally important sources of land for small, special-needs associations. Many smaller associations had tried to avoid the difficulties associated with site acquisition by using the funding schemes to purchase completed dwellings from developers, intensifying land-use on their existing properties or forging partnerships with larger associations.
The lack of funding availability prior to the commencement of construction work, to cover design costs and other professional fees incurred in bringing forward new housing projects, represented another important barrier to development. It was common for housing associations of all sizes to negotiate favourable terms when commissioning design work, such as reduced rates, delayed payment and ‘no foal, no fee’ agreements. Several problems were associated with these arrangements, including a restricted choice of architectural practices, delays, poor quality work and poor value for money. Large associations had all had ample opportunities to develop good working relationships with various architectural, quantity surveying and engineering firms over the years and tended to rely on a limited number of independently selected firms for all of their requirements. In contrast, smaller associations often had to rely on local knowledge and recommendations, while the architect was normally responsible for appointing any additional professionals, such as quantity surveyors. Nevertheless, the only association that was able to avoid the problems associated with special arrangements for the payment of design firms was the largest association in the Republic of Ireland. This association assigned all of its design work to a large, in-house design team, comprising architects, architectural technicians and engineers.

The terms and conditions of the voluntary-housing funding schemes and the manner in which they were administered by the local authorities also posed significant barriers to development. For instance, large associations with substantial development programmes were discouraged from using the CAS to any great extent, arguing that they did not have either the land or financial resources to contribute 5% or 10% of the total cost of each of their projects. In contrast, associations with more limited development programmes, including large associations catering for tenants with special needs and many smaller associations, were able to utilise this scheme.

Housing associations of all sizes reported mixed experiences of dealing with the local authorities in connection with the voluntary-housing funding schemes. There seemed to be substantial variability in the manner in which the local authorities discharged their responsibilities, both over time and between authorities. Many associations reported good relationships with the relevant local authorities, describing them as co-operative and helpful. A similar proportion, including most of the associations catering for low-income families with substantial development programmes, expressed grave dissatisfaction with the standard of service received. Local-authority obstruction of applications for funding approval seemed widespread, leading to delays and increased costs. Delays were often
unintentional, arising from high levels of staff turnover, a lack of familiarity with the funding schemes, inefficiency, bureaucracy or incompetence. However, a minority of respondents accused the local authorities of being deliberately obstructive, as a result of fundamental opposition to the expansion of the sector. Thus, the local authorities seemed to be failing to fulfil their enabling role. Associations of all sizes had adopted different strategies to contend with uncertainty and a lack of transparency in the administration of the voluntary-housing funding schemes. Several medium-sized and small associations felt that it was important to gain the support of a key housing official or an elected representative, in order to achieve a favourable outcome. One large and one medium-sized special-needs association found it necessary to hire consultants to guide them through the approvals process.
PLATE 6.1

Ownership of this local-authority flats complex, formerly known as St. Joseph's Mansions, was transferred from Dublin City Council to a large housing association. Dating from 1938, it was in need of major renovations, which took five years to complete. Work on the 105 flats was completed in 2002 and they are now home to elderly people and families.

Plate 6.1b. George's Hill Apartments, Dublin (1996)
This former convent was donated to a large housing association catering primarily for homeless people by the Presentation Sisters, when it became too big for their needs. Completed in 1996, it was refurbished under the LSS to provide 73 units, with a mix of transitional and long-term accommodation for single people and families.
This former convent was purchased on the open market, refurbished under the CAS and opened in 1989. Comprising seventy units, it accommodates elderly people including the homeless and those with dementia. Plans are in progress to demolish the out-of-date building and replace it with a larger, modern facility for 100 residents.

Plate 6.2b. Clooncorrick, Carrigallen, Co. Leitrim (1969)
Initially purchased by the Community Care Council in the late-1960s, these two bungalows were converted to four flats for the elderly prior to the introduction of the CAS. Recent attempts to intensify land-use on this site have failed. Neighbours successfully appealed against a decision to grant permission to re-develop this site and construct twelve units.
A brighter future beckons for the residents of an estate taken over by a housing association in Sligo, writes Theresa Judge, North West Correspondent

A HOUSING estate once labelled the “worst address” in Sligo, which has been transformed since it was taken over by a housing association, is celebrating what it hopes will be the start of a less troubled future.

The official opening of the renamed Racecourse View marks the end of the infamous Banks Drive. People with that address couldn’t get insurance, say they had no hope of getting a job, and were looked down on by people who lived only streets away.

Part of the large local authority Cranmore Estate, it was built in the 1970s. By the 1990s it was grim and depressing, although it escaped the scourge of hard drugs.

“It was as bad and bleak as anywhere we have seen. It was like somewhere in Dublin in the 80s. The buildings were in rag order and there was a level of despair,” said Janet Kehelly of Cluid Housing Association, which now owns Racecourse View.

In 1999, Sligo Corporation asked the housing association, then known as St Pancras, to take over Banks Drive. It was the first transfer in the State of a local authority estate to a housing association although a number of others have happened since. Cluid has more recently taken over St Joseph’s Mansions in inner-city Dublin.

Women who lived in Banks Drive from the early days when

Figure 6.1. An Example of Local Authority Stock Transfer*

* Source: The Irish Times, 21/08/01
it was a new and trouble-free area through the worst times when they say they couldn’t let their children out on the street, were this week scathing of Sligo Corporation’s management of it.

But Mr Des McGarry, the corporation’s estate manager, said that once decline set in the kind of funding which would have been needed to revamp the estate was never available. Housing associations like Cluid can access the necessary funding from Department of the Environment and some £4 million has been spent on Racecourse View.

Cluid Housing Association recognised a radical transformation was needed. By 1999, most of the 40 or so houses were boarded up, having been vandalised once vacated. Nobody wanted to move there. Some houses were damaged by fire and others were rat-infested. Stolen cars were abandoned in the street and the area was a venue for regular drink and drug parties. The pebble-dash fronts had become a grimy black and windows and doors were rotting.

"You couldn’t get a new window or door and the windows were hanging off. I rang the corporation 14 times about a toilet that was leaking but in the end I just gave up," said one woman this week.

Over the past two years, a number of houses were demolished to make way for a central green area with seating and trees. Ten new houses were built and existing houses were renovated with new roofs, doors and windows. They are painted in different pastel shades and flower baskets hang from front doors. An all-weather pitch with a basketball court has been built.

Despite the new condition of the houses, however, there was no huge rush to get into them. Most Cluid schemes are oversubscribed but that was not the case with Racecourse View, although all the houses are now occupied. "There was a stigma attached to it and people didn’t want to move back," said Ms Treacy Mitchell, who works with Cluid in the North West.

It is accepted that changing the physical environment is one thing, but only time will tell if its old reputation will be consigned to history.

The housing association, through its obligatory six-week pre-tenancy courses and tenancy agreements, aims to build up a community spirit. More than half of the houses are now occupied by new tenants.

"We try to make people responsible for their living environment but it is about empowerment more than enforcement," said Ms Mitchell.

The atmosphere in the area has changed. Banks Drive always had a very active community centre, where a Department of Health-funded Springboard family support project has proved successful.

Women, gathered in a newly-built community centre, say they have hope for the future. "At least you can walk out onto the street in peace and you can let the children out," said one woman. Many of the women didn’t want to give their names — media reports in the past have all been negative.

Mrs Marian Farrell, who reared four children in Banks Drive and is now bringing up her grandchild, said she was delighted with the change. "It is the best thing that ever happened," she said.

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* Source: The Irish Times, 21/08/01

Figure 6.1. An Example of Local-Authority Stock Transfer (continued)*