**Housing Associations & Social Enterprise**

**What are Housing Associations?**

Housing Associations are non-profit organisations who provide affordable housing to those people who cannot afford to rent in the private sector or purchase their own home. HA’s, also known as Approved Housing Bodies, are companies limited by guarantee and have registered charitable status. In order to receive grant funding for projects, Housing Associations must receive Approved Housing Body status from the [Department of Environment, Community & Local Government](http://www.environ.ie).

Over the past 30+ years, more than 700 community and voluntary organisations have received Approved Housing Body status, however according the [Irish Council for Social Housing](http://www.icsh.ie) (the umbrella body for Housing Associations in Ireland), only 320 are “active”, i.e. they own and manage housing units. In any given year, up to 30 Housing Associations would be actively developing new housing projects. The majority of voluntary housing would have been delivered through new-build projects, plus the delivery of social housing under Part V of the Planning & Development Act 2000, where private developers were required to provide between 10—20% of new properties as social housing. In recent years the focus for Approved Housing Bodies was the purchase of existing properties, where Housing Associations may take on the completion and management of the unfinished “ghost estates” across the country. In a limited number of cases over the past 20 years, housing schemes were transferred from Local Authority ownership to AHB’s as part of wider regeneration projects. This is in contrast with England, Scotland & Wales where the vast majority of social housing stock has transferred from local authority ownership to Registered Social Landlords (housing associations).

**How are Approved Housing Bodies funded to develop housing projects?**

Prior to the recent economic downturn in 2008, the provision of voluntary housing projects was almost entirely funded by grants from the DoECLG, administered via the relevant Local Authority. As grant funding became scarce, Housing Associations were encouraged to enter into long term leasing arrangements with private developers or to arrange private finance to cover the purchase cost of new projects. In recent years, grant funding has again became available for the purchase of existing properties, and in 2015 grant funding was again made available for social housing construction projects.

**Do Approved Housing Bodies provide only family housing?**

No. While the majority of voluntary housing units are for families, a large number of housing provided by Approved Housing Bodies would be for “special needs” groups; including older persons, the homeless, and people with disabilities. Some Housing Associations may provide a range of housing options for these categories, while others may provide housing for one particular group. They may also provide additional services to the tenants living in the housing schemes. For example;

* Charities such as Focus Ireland working with homeless people have Approved Housing status. They also provide tenancy support/sustainment services to help prevent people returning to homelessness.
* Organisations that provide services to people with disabilities either have approved housing status, or establish separate Housing Associations to develop housing for people they support.
* Many smaller Housing Associations provide housing for older persons living within their community. They may also provide a range of services directly or link in with appropriate community services such as home helps, meals on wheels, community nurses, etc.

**How does someone looking for housing get allocated a house owned by a Housing Association?**

The first, and most important, step to accessing social or voluntary housing is registering with the relevant local authority. When a vacancy arises in a house/flat owned by a Housing Association, the local authority provides a list of nominations from the housing list that meet the criteria for the particular housing scheme (i.e. family housing, older person’s accommodation etc.). The Housing Association then allocates the home to the most appropriate nominee.

For a list of Housing Associations operating in a particular area, search the ICSH [member’s listings](http://www.icsh.ie/content/search-for-members).

**How are Housing Associations regulated?**

Once a Housing Association obtained status as an approved housing body, any subsequent housing development was judged on specific funding criteria, such as the housing need in the local area and the design of the housing meeting design standards. The terms and conditions of funding were detailed in a “non-repayable” mortgage with the relevant Local Authority. The main terms and conditions of the mortgage were that the houses would be let only to people eligible for social housing, i.e. they were on the Council housing waiting list; the tenant would be charged an affordable rent, usually means-tested in line with council housing rents; and that the property would be maintained to an appropriate standard.

In 2013, the Government launched a [Voluntary Regulation Code for Approved Housing Bodies](http://www.environ.ie/en/PublicationsDocuments/FileDownLoad%2C33727%2Cen.pdf). While currently voluntary, compliance with the code is mandatory for any APPROVED HOUSING BODIES seeking capital funding for new housing development. It is expected that legislation will be passed in the next few years putting the Regulation Code on a compulsory basis. The Code is currently regulated by the [Housing Agency](http://housing.ie/Regulation.aspx). As part of the Regulation Code, Housing Associations are encouraged to sign up to [The Governance Code](http://www.governancecode.ie/) and will also be required to register with the [Charities Regulatory Authority](https://www.charitiesregulatoryauthority.ie/Website/CRA/CRAweb.nsf/page/index-en).

Legislation is also currently progressing through the Houses of the Oireachtas that will update the Residential Tenancies Act 2004 to include Housing Associations. The main effect of this legislation will be that the Housing Associations will join private landlords in being regulated by the [Private Residential Tenancies Board](http://www.prtb.ie/).

**So what have Housing Associations got to do with Social Enterprise?**

If we take the EU definition of “social enterprise” as a business:

* whose primary objective is to achieve social impact rather than generating profit for owners and shareholders;
* which operates in the market through the production of goods and services in an entrepreneurial and innovative way;
* which uses surpluses mainly to achieve these social goals and
* which is managed by social entrepreneurs in an accountable and transparent way, in particular by involving workers, customers and stakeholders affected by its business activity,

It would seem clear that “businesses” that use state funding to deliver housing options for vulnerable groups within society, charge tenants a fair but economical rent, and re-invests any surpluses to deliver additional services and/or maintain its properties and in the case of larger associations uses the surpluses to develop additional housing, fully meet the criteria defined above. For example [Clúid](http://www.cluid.ie), the largest Housing Association in Ireland, [reported](http://www.cluid.ie/wp-content/uploads/2015/06/Annual-Report-2014.pdf) that in 2014, 82.1% of the organisation’s turnover was from rents – i.e. traded income. It is not clear at this time whether Housing Associations are included in statistics and reports relating to social enterprise, such as the 2013 Forfás report “[Social Enterprise in Ireland: Sectoral Opportunities and Policy Issues](https://www.djei.ie/en/Publications/Publication-files/Forf%C3%A1s/Social-Enterprise-in-Ireland-Sectoral-Opportunities-and-Policy-Issues.pdf)”.

**So how can Housing Associations contribute to the social enterprise sector?**

In 2011, the UK [National Housing Federation](http://www.housing.org.uk/), [Groundwork](http://www.groundwork.org.uk/Default.aspx), and the [Aspire Foundation](http://aspire-foundation.com/donate) came together to create [Green Light](http://www.housing.org.uk/resource-library/browse/green-light-creating-jobs-through-housing-enterprises/) – a study to look at the range and scope of social enterprise activity within the Housing Association sector and for relevant partners. They commissioned Mark Richardson of [Social Impact Consulting](http://www.socialimpactconsulting.org.uk/) to author a report – [Green Light – Social Enterprise and Housing](http://www.socialimpactconsulting.org.uk/uploads/1/0/1/8/10187028/green_light_report_-_social_enterprise_in_the_housing_sector.pdf) which “looks at the interaction of Housing Associations with the wider social enterprise sector, strengths, weaknesses, opportunities and threats. It also suggests practical ways in which Housing Associations can engage more effectively with social enterprise”. The research identified 4 key areas where Housing Association can engage with social enterprises;

1. Procurement (an accompanying [report](http://www.socialimpactconsulting.org.uk/uploads/1/0/1/8/10187028/buying_from_social_enterprises_-_a_guide_for_housing_associations.pdf) gives a guide to Housing Associations on how to buy goods and services from social enterprises)
2. Partnership
3. Capacity building
4. New-start

Case studies referred to in the Green Light reports are summarised in a separate [report](http://www.socialimpactconsulting.org.uk/uploads/1/0/1/8/10187028/green_light_case_studies_-_final_version.pdf).

These reports and other examples will form the basis for future posts on the links between Housing Associations and social enterprise.