Northern Ireland Housing Executive – Amendments to House Sales Scheme

Consultation Response from Propertymark

July 2026

Background

1. Propertymark is the UK's leading professional body of property agents, with 19,000 members representing over 12,500 branches. We are member-led with a Board which is made up of practicing agents, and we work closely with our members to set professional standards through regulation, accredited and recognised qualifications, an industry-leading training programme and mandatory Continuing Professional Development.[1]

Consultation – overview

2. The Housing Executive is Northern Ireland's single comprehensive regional housing authority and was the provider of social housing until the early 2000s. Since 1979 the House Sales Scheme has allowed Housing Executive tenants to buy their homes at a discount. Currently, tenants would need to live in the property for five years, not be in arrears, live in sheltered housing amount a few other requirements. Since the Scheme's introduction, the Housing Executive has acknowledged that demand for social housing has increased while the Housing Executive has been unable to replace the homes sold through the Scheme. Highlighting the need to safeguard existing social housing stock, the Housing Executive is proposing the following proposals to the House Sales Scheme to help ensure that its social housing stock can increase to meet growing demand. These proposals are as follows:
   - Exclude adapted and accessible dwellings from the Scheme.
   - Extend the Option-to-Purchase period from 10 to 20 years.
   - Exclude flats/leasehold properties from the Scheme.
   - Exclude leasehold or flats that have been reacquired by the Housing Executive.
   - Exclude periods as a secure tenant in a Housing Association dwelling when calculating the discount for purchasing a Housing Executive property.

[1] https://www.propertymark.co.uk/

Propertymark response – summary

3. Propertymark welcomes the opportunity to respond to the Housing Executive's consultation on amendments to the House Sales Scheme. While Propertymark's members are predominantly instructed by landlords from the private rented sector, the supply of homes in the social rented sector has a direct impact on the housing market. The Housing Executive's own figures show that housing need has increased by 73% between 2015 and 2023[2]. Many tenants on the social housing waiting lists either live in social housing that is not suitable for their needs or will have to rent privately. As more people wait for social housing, demand on the private rented sector increases, which contributes to rent increases. For example, across Belfast, the average rent between Q1 2020 and Q4 2025 has increased on average by 51%[3]. For the tenants on the lowest incomes who would benefit from social housing but are still on waiting lists, this can reduce housing security. While Propertymark supports the ability for social renters to purchase their home, the removal of social rented homes must be met with the same number of new homes. Failure to do so will reduce the supply of social housing despite rising demand. We continue to call for an increase in the number of social homes built to ensure more social homes are available to match demand. Considering this, our response to the consultation can be summarised by the following three points:

- **Propertymark is supportive of measures to help people into home ownership, but the House Sales Scheme has led to the loss of much-needed social housing stock** – demand for social housing remains high in Northern Ireland, so retaining social housing is important for meeting housing need.

- **The Housing Executive should consider avoiding broad bans on certain housing from the Scheme but establish a system where they can assess the impact of individual purchases on supply** – under current proposals, a Housing Executive tenant who is living in a freehold house without adaptations could still easily purchase their home. This should be avoided where new social housing is not being built.

- **The Housing Executive should still review specific property types, sizes or adaptations, helping retain properties where need is particularly high** – this can help retain the supply of

[2] Consultation on Amendments to the House Sales Scheme
[3] Belfast: Rent prices growing faster than any other UK city - BBC News

specific types of social housing in high-demand or low-supply areas while retaining the ability for Housing Executive tenants to purchase their home where the impact on housing stock would be limited.

- **The Housing Executive and the Northern Ireland Assembly must consider a policy of replacing social homes that have been purchased** – this will offset any reduction in supply.

- **The Housing Executive should consider capping the number of homes sold through the Scheme each year** – that way, where there are more applicants to the scheme than the cap, the Housing Executive can assess the impact on supply for each property. They can then decide on which individual applications will have the least negative impact.

<u>Consultation Questions – Propertymark response</u>

Question 1: Are you responding as:

- **Housing Executive tenant**
- **Housing Association tenant**
- **Homeowner**
- **Private renter**
- **Community/voluntary organisation**
- **Statutory organisation**
- **Elected representative**
- **Other**

4. We are responding as "Other". We are a voluntary not for profit professional membership organisation that represents property agents in Northern Ireland and across the UK.

Question 2: Are you responding as an individual or on behalf of an organisation?

5. We are responding on behalf of an organisation.

Questions 3a-3c are for individuals only and have thus been omitted from our response.

Question 4: In which council area(s) do you operate?

6. Propertymark is a UK-wide organisation. Our members in Northern Ireland operate across the entire country.

Question 5: To what extent do you agree that the House Sales Scheme has contributed to a reduction in available social housing stock?

7. We strongly agree. According to the consultation document, the Housing Executive has sold approximately 122,916 homes through the Scheme over the past 40 years. While not all of these homes would still be available, as many of these former tenants would still be living in social housing, if only 20% of these homes were still available to the Housing Executive, there would be 30% more homes available to rent. Subsequently, the number of applicants on the housing waiting list would have halved. Our 20% figure is a conservative estimate, double this figure and there would be very few people on the waiting list.

Question 6: Please indicate the importance of the following issues, when considering the future of the House Sales Scheme:

- **Loss of adapted homes from the NIHE stock to allocate to households those on the waiting list**
- **Loss of flats/ maisonettes from the NIHE housing stock to allocate to households on the waiting list**
- **Reduction of social housing stock in high demand areas**

8. The reduction of social housing stock in high demand areas is very important when considering the future of the House Sales Scheme. Failure to address the loss of social housing stock in these areas is going to have a disproportionate impact on private rented housing. A combination of new social and private housing can alleviate this pressure on rents and challenges for households to find homes, and any social homes taken out could offset any increase in supply.

9. The loss of specific stock, adapted homes, flats and maisonettes is still important, however, it is not our primary concern. The Housing Executive should consider the availability of similar properties and the impact of the loss of housing stock. If there is sufficient supply of specific properties in the areas where a tenant has applied to buy their home, the impact of taking the property out of the social rented sector will be limited and should be allowed. The impact could further be reduced if the Housing Executive or Housing Associations replace the kind of properties

that have been bought. We also acknowledge that allowing flats to be purchased causes some issues for the management of blocks owned by the Housing Executive, which we will expand on in our answer to question 13.

Question 7: Do you agree or disagree that the current rate of sales makes it difficult to expand the overall supply of social housing?

10. We disagree that the current rate of sales makes it difficult to expand the overall supply of social housing. Our main concern is the historic rate of Housing Executive homes that were sold compared with the numbers that were built, to balance the total impact over the past 40 years as the current sales rate is relatively low. As detailed in the consultation document, the current rate of sales is 360 homes each year, which would have resulted in a loss of 14,400 homes if this figure was consistent across a 40-year period, just under 12% of the number of homes that were actually sold. Should this rate continue, or be capped to around 350, then the impact of the Home Sales Scheme can be minimised. Although, given the current undersupply, it may be beneficial to have a temporary cap on all social homes being sold until a sufficient number of new social homes are built. An increased effort to increase the number of social homes built every year, combined with a policy of replaced the homes that are sold, will help offset the loss and reduce housing need and housing stress over time.

Question 8: Do you agree or disagree that retaining social homes is necessary to address rising housing need and housing stress?

11. Yes, we agree that retaining social homes is necessary to address rising housing need and housing stress. Propertymark's position is that housing policy must address demand for specific housing types, tenures, sizes and in locations where people wish to move to and live. This involves responding to shortages in social, private, rented and owner-occupied housing. Retaining and building more social homes is one part of addressing rising housing need as long as there continues to be a considerable numbers of people on social housing waiting lists.

Question 9: Do you support the policy objective of retaining social housing stock wherever possible?

12. We disagree with the policy objective of retaining social housing stock wherever possible. Although this is only because we disagree with retaining social housing stock if demand for social

housing decreases. If we were to rephrase the objective, we would say “retain social housing stock while demand is sufficiently high compared to the amount of existing stock”. This provides the flexibility needed to prioritise one form of housing stock over another where demand is especially high.

Question 10: To what extent do you agree that this policy objective aligns with the aims of the Housing Supply Strategy?

13. Currently, we agree that the policy objective aligns with the aims of the Housing Supply Strategy. The Housing Supply Strategy aims to “create affordable options” and to “deliver housing solutions for our people who are most in need” which retaining existing social housing stock does. Considering that there are currently 49,083 applicants on the housing waiting list, with only 6,054 allocations each year, the need for social housing is sufficiently high for a policy of retaining social homes to be pursued and meet the policy objectives of the Housing Supply Strategy.

Question 11: Proposal 1: Do you agree or disagree with the proposal to exclude adapted properties from sale?

14. We disagree with the proposal to exclude adapted properties in all circumstances. By adopting a policy where homes with adaptations can be built to replace those lost, the Housing Executive can avoid the negative impacts that selling a home with adaptions can have. This policy has two additional benefits in addition to offsetting supply. Firstly, new homes would be able to include new adaptions when technological improvements in adaptions have been made. Secondly, they can also be tailored to the specific adaptation needs of those on the waiting list for homes with adaptions.

Question 12: Proposal 2: Do you agree or disagree with extending the Option to Purchase period from 10 to 20 years?

15. We agree with extending the Option to Purchase period from 10 to 20 years. This will allow for more properties that have been sold through the Scheme to be repurchased by the Housing Executive, ensuring more social homes can be available once occupants leave.

Question 13: Proposal 3: Do you agree or disagree with the proposal to exclude flats and maisonettes from sale?

16. We disagree with the proposal to exclude flats and maisonettes in all circumstances. As with other specific types of housing, excluding all flats and maisonettes should not be necessary if there is sufficient supply in a given area. While currently it may be the case that there is no area in Northern Ireland where supply is at a level where selling a flat or maisonette could be justified, a more flexible policy allows for Scheme to continue once supply has increased. We do acknowledge that allowing for flats to be sold in blocks where the Housing Executive manages the communal parts of the building can be a challenge. The ability to set up the responsibilities of the new leaseholder and how that would work with existing arrangements with the other tenants in the block should also be considered. However, this should also be on a case by case basis as there may be blocks where such arrangements can be more easily set up.

Question 14: Proposal 4: Do you agree or disagree with the proposal to exclude flats and maisonettes reacquired by the Housing Executive from resale?

17. We disagree with the proposal to exclude all flats and maisonettes reacquired by the Housing Executive from resale. Our positions and arguments are the same as those that we detailed in our response to question 13.

Question 15: Proposal 5: Do you agree or disagree that periods as a secure tenant in a housing association dwelling should be excluded when calculating discount for Housing Executive tenants?

18. We have neither disagree nor agree with this proposal. Our concern is the impact on supply. If the number of successful applications to the Scheme can be capped, then the level of discount would have no impact on supply.

Question 16: Do you think a transitional period should be introduced if changes are made to the House Sales Scheme?

19. We agree that a transitional period should be introduced if changes are made to the House Sales Scheme. We envision that the need to access the impact on supply, especially for specific building

types, and comparing applications with each other would require additional resources to administrate.

Question 17: If yes, what length of transitional period do you think would be appropriate?

20. This would depend on how long it would take to train and hire new staff to administer the Scheme, with the suggestions we have proposed. It is difficult for us to assess exactly how much time this would need.

Question 18: To what extent do you agree that (a) further reforming and/or (b) ending the House Sales Scheme is necessary to ensure there is adequate supply of social housing in Northern Ireland?

- **To ensure adequate supply of social housing, it is necessary to further reform the Scheme**
- **To ensure adequate supply of social housing, it is necessary to end the Scheme**

21. We disagree that ending the House Sales Scheme is necessary to ensure there is adequate supply of social housing in Northern Ireland. We also disagree that reforms are necessary to ensure there is adequate supply of social housing in Northern Ireland, although we do agree that reforms would be beneficial to improve the supply of housing. This does depend on if the number of social homes built every year can increase. Should this not be possible, then reforms would be necessary to further reduce the impact of social homes being sold. Out of our proposals, we would recommend introducing a cap on the number of homes that can be sold each year and introducing a strict policy on replacing the social homes sold.

Question 19: To what extent do you agree that the eligibility criteria for the Scheme should be updated?

22. We neither agree nor disagree that eligibility criteria for the Scheme should be updated. Our primary concern is the sale of social homes against the number of new homes that can be built every year. We do not see how changing the eligibility criteria would be more effective than a hard cap on the number of homes sold every year.

Question 20: The Scheme currently includes a minimum 5-year tenancy qualification period for eligibility. Do you think this qualification period should be changed?

23. Please refer to our answer to question 19. An increase in the qualification period may help reduce the number of social tenants who apply to the Scheme, but a hard cap would be more effective in reducing the number of homes sold. Neither would a reduction to the discount in the property's market value be more effective than capping the number of homes that can be sold each year.

Question 21: To what extent do you agree that the current discount levels should be reviewed?

24. Please refer to our answer to question 20.

Question 22: Do you think the Housing Executive's approach appropriately balances individual rights with the public interest?

25. Propertymark acknowledges that reducing the number of homes that can be sold through the Scheme may be seen as an encroachment on the right for some tenants to purchase their property through the Scheme. However, their ability to do so impacts the ability for others to access affordable housing. This is not only in the public interest but negatively impacts their individual rights as well. Considering the degree that housing need has increased in the past five years, we think that reforms would be beneficial to improve housing supply.

Question 23: Do you agree that the proposals would have no differential impact on any Section 75 Group?

26. Propertymark does not have the sufficient expertise to access the impact on all Section 75 groups. However, people with specific disabilities would benefit from any policy that aims to increase the number of homes with adaptions built.

Question 24: Do you agree with the Housing Executive's assessment that the proposals will have no differential impact on rural communities?

27. Propertymark agrees with the Housing Executive's assessment that the proposals will have no differential impact on rural communities. However, we would argue that taking an approach that looks at accessing the availability of social housing before allowing a home to be sold through the Scheme would be more beneficial to rural communities where supply is particularly low without directly introducing a policy that aims to support rural communities.

Question 25: Overall, do the proposed amendments strike the right balance between retaining social stock and supporting homeownership?

28. Given the existing demand for social housing and the impact this has on other housing tenures, this is a necessary step to take even if some may argue that it prevents some social tenants from owning their home until a more sufficient supply of social housing can be reached.

Question 26: Are there any final comments you would like to make about this consultation, or the House Sales Scheme?

29. We have no further comments to make at this time.