



David Beckett
Office for National Statistics
Government Buildings
Cardiff Road
Newport
NP10 8XG

Room: 1.264
Tel: 01633 456980
Email: David.Beckett@ons.gov.uk
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Ms Pamela Galloway
Northern Ireland Executive
Airport Road
West Belfast
BT3 9ED

Dear Ms Galloway,

Notification of classification of Registered Housing Associations in Northern Ireland.

ONS has undertaken a classification assessment of Registered Housing Associations (RHAs) in Northern Ireland following Royal Assent being granted to The Housing (Amendment) Act (Northern Ireland) 2020 ("the Act"). The Act adjusts the powers of the Department for Communities (DfC) contained within The Housing (Northern Ireland) Order 1992 and The Housing (Northern Ireland) Order 1983.

The Acts were passed following ONS review of a policy proposal in March 2019, when it was concluded that if the proposal was implemented as suggested then it was likely that public sector control would no longer exist.

ONS assessed RHAs in Northern Ireland in the context of the internationally-agreed rules laid out in the European System of Accounts (ESA) 2010 and the accompanying Manual on Government Deficit and Debt (MGDD) 2019.

The assessment noted that,

- the control over the disposal or mortgage of land has been removed by the Act, as DfC consent is no longer required for a RHA to dispose or mortgage land
- the control over committee appointments, suspensions and removals has been removed by the Act, which has narrowed the circumstances under which DfC can undertake these actions
- The ability to direct a RHA to transfer land has been removed by the Act, which has narrowed the circumstances under which DfC can undertake this action
- the potential control indicated by a statutory Right-to-Buy scheme has been removed by the Act, which repeals the relevant section of The Housing (Northern Ireland) Order 1983
- the potential control indicated by Article 27 of The Housing (Northern Ireland) Order 1992, which allowed the Northern Ireland Executive to petition for the winding-up of a RHA, has been removed

by the Act

Having taken into account these points, the assessment concluded that public sector control of RHAs has been removed.

Therefore, as RHAs in Northern Ireland are still considered to be market bodies, they have been classified to the private non-financial corporations subsector (S.11002) with effect from 28 August 2020, the date the Act received Royal Assent.

The above conclusions have been approved by the ONS Chief Economist (Grant Fitzner) to whom the National Statistician has delegated decision-making on classifications.

I trust this provides sufficient explanation of the assessment. Please do get in touch if you have any questions or comments.

Yours sincerely,

David Beckett
Head of Economic Statistics Classifications