



PAPER 6

Housing Supply Framework

**NORTHERN IRELAND HOUSING
MARKET REVIEW** 2024/25



**Housing
Executive**

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Foreword

I am delighted to introduce this first edition of our refreshed Northern Ireland Housing Market Review, which we are pleased to re-establish as an annual publication and a resource for the collation and dissemination of housing-related data.

In developing the new format, the Housing Executive's Research Team consulted with colleagues and stakeholders in the housing sector; we are grateful for their input, and that of the editorial team, which provided both feedback and content.

Alongside this report, a series of data tables will be made available, which will allow for all data contained in the publication to be downloaded and used by the reader. These data tables will be updated throughout the year, as and when new figures are released.

This report is published against a backdrop of acute housing supply challenges, however we welcome the specific priority attached to housing supply in the new Programme for Government, coupled with the Housing Supply Strategy. It places important emphasis on the development of the right kind of housing in the right places. As well as providing much-needed homes for those in housing need, this focus on delivery will also make a significant contribution to the local economy and the stability of the construction sector for years to come. Reducing homelessness and housing stress are a key NI Executive priority with a welcome focus on prevention and collaboration across departments.

Our mission – as set out in our Corporate Strategy for 2025/26 – 2027/28 is to ensure that housing helps resolve some of our greatest challenges. Through good housing, we aim to help end health inequalities, prioritise early intervention and prevention, protect our communities from climate change, and drive sustainable economic growth.

We are ambitious about what can be achieved over the next ten years. As we plan future activities, the data, research and information brought together in this comprehensive document provides a critical evidence base for us as an organisation. We trust that it will also be a useful reference point for our partners and stakeholders across and beyond the housing sector.

Grainia Long
Chief Executive

Introduction

The Northern Ireland Housing Market Review consists of a series of papers covering a range of housing topics, market data, analysis and commentary which is designed to provide important background and contextual information for the development of housing strategies and housing policy as well as direct intervention in the housing market.

It draws together key statistics compiled by the Housing Executive, Government departments, universities, and the private sector. The intention is that this document will become an annual publication and will contribute to the formation of the Housing Executive's Corporate and Business Plans, thereby helping to guide the organisation's intervention in the housing market and providing an important means of monitoring the strategic impact of this intervention.

Papers 1 & 2 (Economic Overview and Review of NI households) provide a summary of trends in the economy and key demographic indicators from the most recent Census (2021).

Papers 3, 4 and 5 (House Sales and Affordability, Private Rented Sector and Affordable Housing) examine trends and developments in each of the three main housing tenures: social housing, the private rented sector and owner occupation. Each paper highlights the key issues emerging from the analysis, research gaps and the strategic perspective.

Paper 6 provides an overview of the assessment of housing need.

Paper 7 focuses on the development process for the new Housing Supply Strategy.

Additional papers will be released over the coming months via the Housing Executive website.

I would like to take this opportunity to extend my thanks to the editorial team members and our team of Housing Executive researchers who have dedicated considerable time to the production of this report and associated data tables. I hope you find the papers of this report useful and informative.

Ursula McAnulty
Head of Research

Acknowledgements

We would like to thank the members of the editorial team and all those who contributed to the compilation of the data and commentary contained in the Northern Ireland Housing Market Review 2024/25.

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The content of this report does not necessarily reflect the official opinion of the Housing Executive.

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6. Housing Supply Framework

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Housing supply in Northern Ireland is shaped by a combination of demographic trends, economic factors, land availability, and government policy. The region faces a persistent mismatch between the numbers of homes available and the demand from a growing and changing population. This has contributed to pressures on affordability, rising private rents and longer social housing waiting lists. New housing delivery is also influenced by planning regulations, construction capacity and the availability of funding for public and private developments.

Understanding housing supply in Northern Ireland requires examining not just the quantity of new homes but also their location, quality, tenure mix and affordability all of which are critical to meeting the diverse needs of the population.

Strategic Housing Authority

The Housing Executive is the Strategic Housing Authority for Northern Ireland. As a Strategic Housing Authority, we aspire to be:

- **A housing champion:** planning and making the case for balanced housing markets for sustainable, affordable homes, ensuring the right size and the right type of housing development.
- **A housing enabler and facilitator:** ensuring an integrated and place-based approach to support healthy, high quality and engaged communities.
- **A housing innovator:** seeking new solutions and overcoming barriers, developing and championing new and best practice.

Legislative Framework: Duty to Assess Housing Need

The Northern Ireland Housing Executive was established in 1971 as the Regional Strategic Housing Authority, underpinned by a series of laws that define its powers, responsibilities and governance. The key legislative responsibilities that relate to the Housing Executive's role in housing supply include:

- The Role of the Housing Executive: 1981 Housing Order – states that the Housing Executive must regularly examine housing need;
- Schedule 3, Planning (General Development Procedure) Order (NI) 2015 - names the Housing Executive as consultee in development management “where a development proposal is likely to require a statement of affordable housing need”
- Part 1, Section 2 of the Planning (LDP) Regulations (NI) 2015 – names the Housing Executive as consultation body in the Local Development Plan (LDP) process.

The Housing Executive, as the Strategic Housing Authority, discharges this duty in the following way:

- Development Plan: We are a statutory consultee and provide evidence through the LDP process to ensure sufficient provision is made for housing, across all tenures.
- Development Management: We are a statutory consultee and respond to planning applications that are assessed against Affordable Housing Policies where Plan Strategies have been adopted.
- Social Housing Development Programme: We manage the delivery of the social housing development programme (SHDP) the annual budget from DfC which funds new social homes allocated through the common waiting list. We confirm when housing proposals are capable of meeting identified housing needs, allowing Housing Associations to secure Housing Association Grant (HAG) funding.

Fifteen Year Housing Market Assessment

Fifteen Year Housing Market Assessment (formerly Strategic Housing Market Assessment or SHMA) and the Five Year Social Housing Need & Demand Assessment (formerly HNA) are key evidence-based tools to inform housing policy and delivery in Northern Ireland.

The following table provides a summary of the purpose and key principles of each dataset.



Table 6.1: Fifteen Year Housing Market Assessment and Five-Year Social Housing Need & Demand Assessment

	Fifteen Year Housing Market Assessment	Five Year Social Housing Need & Demand Assessment
Timescales	Projects new cross tenure supply requirement forward over a 15 year period	Projects social housing requirements forward over a 5 year period
Tenure	Looks across all housing tenures e.g. private (owner occupied and private-rented, intermediate, social)	Only looks at social housing
Data	Uses official statistics which include demographics, households, income, migration and affordability.	Data is derived from waiting list / completed housing application forms
Purpose	Strategic – an evidence base for local development plan and key data for the housing development sector to plan new build.	Operational –waiting list analysis based on local choice to inform social housing delivery

Cross Tenure New Build Housing Requirements by LGD: 2020-2035

The Fifteen Year Housing Market Assessment was published June 2022. This was a detailed study to understand the housing needs of a community over a 15 year period across all tenures.

It is data driven and uses key economic, demographic and housing data to establish current operation and future trends that influence Housing Market Areas. It ensures the right types of homes are built in the right places to meet the community's needs.

It supports the delivery of housing that aligns with the actual needs of the population, promoting balanced and sustainable community development.

It also applies a range of scenarios to the calculation to accommodate variations in performance of the housing market, economy and policy environment.

Its purpose is to provide evidence-based analysis of housing markets to:

1. Identify current and future housing needs
2. Understand affordability and demand trends
3. Support local councils in preparing LDPs
4. Inform housing supply strategies, particularly the mix and type of housing required.

Table 6.2 Cross Tenure Housing Need

Local Government District	Market	Intermediate	Social	All Tenures
Antrim & Newtownabbey	3,370	910	1,540	5,810
Ards & North Down	3,470	1,060	1,500	6,020
Armagh City, Banbridge & Craigavon	10,310	2,680	2,940	15,920
Belfast	5,040	2,090	6,020	13,140
Causeway Coast & Glens	3,630	930	1,390	5,950
Derry City & Strabane	2,060	680	2,390	5,130
Fermanagh & Omagh	3,570	860	920	5,350
Lisburn & Castlereagh	7,280	2,050	2,680	12,010
Mid and East Antrim	3,170	890	1,400	5,450
Mid Ulster	6,460	1,740	2,000	10,190
Newry Mourne & Down	6,540	1,570	2,520	10,630
Northern Ireland Total	54,890	15,450	25,280	95,620
	57.4%	16.2%	26.4%	100%

The Five Year Social Housing Need and Demand Assessment

Social Housing Need is assessed annually from the Common Waiting List for people choosing social housing as their housing option with circumstances defined as being in housing stress.

It groups applicants into households e.g. single, small family and large family.

It informs the Social Development Guidelines, which is the Equality Impact Assessment (EQIA) approved methodology used to plan the location of new social housing to ensure it is targeted in areas of acute housing need.

The Social Housing Need is used as part of the assurance process for Housing Associations to draw down Housing Association Grant Funding (HAG) and to support the operational delivery of the annual Social Housing Development Programme.

Table 6.3 The Five Year Social Housing Need and Demand Assessment

Local Government District	Projected Need 2024-2029
Antrim & Newtownabbey	1,474
Ards & North Down	1,513
Armagh City, Banbridge & Craigavon	1,622
Belfast	8,961
Causeway Coast & Glens	1,726
Derry City & Strabane	4,141
Fermanagh & Omagh	942
Lisburn & Castlereagh	1,439
Mid & East Antrim	1,126
Mid Ulster	876
Newry Mourne & Down	2,189
Northern Ireland Total	26,009

Key Conclusions

We need to build more homes, across all tenures, across Northern Ireland if we are to address the deep-rooted housing supply challenges.

Housing is a system and we must ensure supply is healthy across the entire housing system to ensure access to secure, affordable and sustainable accommodation for our citizens.

Housing is more than bricks and mortar, it is necessary infrastructure to support the fabric of our community and is a key determinant in supporting health and economic outcomes for our citizens.

The distinctive role of the Strategic Housing Authority is shaped by its emphasis on the housing outcomes required and its capacity to focus on delivery.

The quality of relationships with key partners will be critical to enable the delivery of more affordable homes.

Creativity and innovation are cornerstones of success, and fundamental to this will be introducing new ideas and approaches, exploring the opportunities offered by new initiatives and driving up standard of quality and sustainability.

Key Contacts for Further Information

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List of abbreviations

BRMA	Broad Rental Market Areas
DFC	Department for Communities
DPG	Development Programme Group
EQIA	Equality Impact Assessment
EU	European Union
FDA	Full Duty Applicant
FRA	Fundamental Review of Allocations
FRS	Family Resource Survey
FTB	First Time Buyer
FTC	Financial Transactions Capital
HAG	Housing Association Grant
HCS	House Condition Survey
HMA	Housing Market Area
LA	Local Authority
LDP	Local Development Plan
LPP	Local Policies Plan
LPS	Land and Property Services
MMC	Modern Methods of Construction
NHBC	National Housing Building Council
NI	Northern Ireland
NICEI	Northern Ireland Composite Economic Index
NIHE	Northern Ireland Housing Executive
NISRA	Northern Ireland Statistics and Research Agency
ONS	Office for National Statistics
PBMSA	Purpose Built Managed Student Accommodation
PRS	Private Rented Sector
SES	Socioeconomic Status
SHDP	Social Housing Development Programme
SHMA	Strategic Housing Market Area
T:BUC	Together: Building a United Community
UK	United Kingdom
UU	Ulster University

