



Response to Department for Communities Budget 2025-26 Equality Impact Assessment

25/6/2025

As the Strategic Housing Authority for Northern Ireland and a public landlord at scale, our strategic objectives and the focus of our services are to tackle inequalities faced by households – especially those protected by the duties set out in Section 75 of the Northern Ireland Act 1988 and our Equality Scheme.

We are acutely aware of the ongoing strategic public finance challenges for Northern Ireland, particularly the financial constraints facing the Department for Communities (DfC) to continue to deliver critical public services.

Each year we prepare budget submissions to DfC based on projected requirements to deliver statutory and non-statutory services through the Strategic Housing Authority, and, separately, to deliver an effective landlord service and stock investment to tenants. These requirements are based on our analysis of current and future housing need and housing market trends.

Our (draft) corporate strategy 2025/6 – 27/28 focuses on targeting and meeting housing need and reducing housing and wider inequalities such as health. We focus our business objectives on those individuals, groups or geographical areas most in need, to address existing or emerging areas of evidenced inequality. The strategy will ensure delivery of the wider Northern Ireland Executive objectives as set out in the Programme for Government and the Housing Supply Strategy.

Overview

The Housing Executive welcomes the clarity provided by ‘whole of year’ revenue funding in the Budget 2025-26 Equality Impact Assessment (EQIA) by DfC for essential homelessness services. This is essential to support our focus on prevention and stabilising existing accommodation for the most vulnerable, as well as providing support services. Confirmation of this funding from the beginning of the financial year, enables the Housing Executive and its partners to plan more effectively, and ensure best use of public funds. It is also important, however, to note that key services can only be delivered with an acceptable level of staff.

We consider that indicative allocations to Strategic Housing Authority capital programmes, will have an adverse impact across those already experiencing housing need and housing inequality particularly those who are homeless, those living in fuel poverty and energy inefficient housing. In addition, the implications of the indicative capital allocations will be felt beyond the budget for DfC; the allocation to the Affordable Warmth Scheme is likely to have a material and immediate impact on health services, and ultimately on health outcomes.

The Housing Executive administers capital programmes such as social housing new build (which also fund adaptations in housing association properties) and private sector disabled facility and improvement grants. As these programmes deliver and fund services to those in demonstrable need, the funding shortfall will have adverse impacts on those who would normally qualify for these services, and therefore on many of the Section 75 equality groups. When the housing budget does not meet demonstrable housing need, it impacts our ability to address housing inequalities as well as health, social and economic inequalities that exist in Northern Ireland.

- The level of funding allocated for homelessness services, including temporary accommodation and assistance, is welcome and has met the requirement as outlined in the Housing Executive's budget submission.
- The £2.7m funding for homeless community prevention and support will greatly assist in providing essential services and support.
- The Housing Executive very much welcomes the funding of £3m for the New Foundations initiative. This is an innovative and cross departmental programme that hopes to prevent young people leaving the care system becoming homeless.
- There has been an increase in allocation to £81.7m for Supporting People (from £80.0m last year) which includes £1m for pipeline schemes. However, the allocation does not provide funding for further strategy work which will need to be paused and there is no provision for inflationary cost uplifts that will be incurred by providers (including employer National Insurance contribution increases). This may call into question the financial viability of some Supporting People schemes in the short to medium term. The allocation does not meet our budget submission bid in full, which was submitted on the basis of our assessment of need, having engaged with providers.
- The Social Housing Development Programme will only be able to start circa 1,000 new social homes in 2025/26, significantly below the target of 2,000 starts, at a time when housing need is at its most acute. This level of new starts will mean that in 2025/26 we will fall behind delivering against the development targets set out in the both the Programme for Government and the Housing Supply Strategy. Consequently, more households will therefore be waiting longer for permanent social housing, and in the interim, many will have to remain in the private rented sector or in temporary accommodation, both of which are more expensive to the public purse than social housing.
- Despite the proven and demonstrable positive impact on 'Housing for All' in enabling communities to live together, no funding has been earmarked for Housing for All (shared housing) within the SHDP for 2025/26.
- Cognisant of the importance of the availability of culturally sensitive accommodation for Travellers, the Housing Executive included a capital bid to invest in homes of this kind. However, there is no capital funding allocation for scheduled improvements to Irish travellers' sites.
- The Affordable Warmth Scheme allocation of £7.5m allows for 480 new approvals against a budget submission target of 2,988 approvals, at a time when demand for the scheme remains high, and there is demonstrable need.
- No capital funding has been allocated for new private sector discretionary grant, meaning unfitness in this sector is not being addressed.

Funding Background

The functions of the Housing Executive are split across two distinct bodies (the Strategic Housing Authority and the public landlord), funded through different mechanisms and requiring separate financial management reporting.

Rental income that is generated from 82,600 homes and commercial properties, largely funds the Landlord for improvements, repairs and services for tenants. Separately, the Strategic Housing Authority, is wholly funded by Government grant for the provision of a wide range of public services, such as: the management of the waiting list for social housing and assessment of housing need; the provision of homeless accommodation and services; Housing Benefit administration; the management of the social housing development (new build) programme; distribution of the Supporting People programme; private sector grants and essential strategic housing services such as research and market analysis.

Accordingly, any restriction on the availability of Government grant funding in 2025/26 has a much greater impact on how programmes and services are delivered by the Strategic Housing Authority.

The table below details the funding for Strategic Housing Authority services and programmes over the last five years as well as the indicative allocation for 2025/26.

	2020/21	2021/22	2022/23	2023/24	2024/25	Indicative Allocation 2025/26
	£k's	£k's	£k's	£k's	£k's	£k's
Social Housing Development Programme	136,166	171,796	184,317	161,833	176,899	168,500
Affordable Warmth	6,677	11,816	16,201	14,365	8,005	7,500
Supporting People	85,145	75,653	78,519	74,632	79,960	81,697
Homelessness	19,366	24,148	25,719	33,319	35,012	37,003

Housing Executive EQIA Response

The purpose of this document is to identify the implications of the indicative budget allocations for the Housing Executive, with relevance as to how reduced funding availability is likely to impact on Section 75 groupings and those living in rural areas.

The following data was considered when reviewing the appropriateness of budget distribution:

- Operational data on the implementation of the Housing Executive's grants programmes; recent trends in demand and provision of services; resource allocations and trends in costs; construction industry data; customer services information and data.
- Internal operational data on the Supporting People Programme; data on funding agreements and provision of services.
- Consideration of the Strategic Guidelines and Analysis of Waiting List and Allocations Management data by key Section 75 groups. This data highlights the differential in waiting

times for households on the waiting list and those households who have had a housing allocation. This data further highlights a relationship between waiting times and such characteristics as religion, disability (wheelchair standard), and age.

- Analysis of households awarded Full Duty Applicant status.
- Homeless demand trends in terms of the increasing number of placements, increased requirement for units of temporary accommodation, increased requirement for external accommodation due to supply issues, and investment in prevention measures as a proportion of overall programme expenditure. This data helps to understand the scale and nature of need among particular groups, e.g. young people leaving care, women fleeing domestic abuse, families with children having to face changing environments, moving schools, leaving family and friends etc.

As we deliver and fund services to some of the most vulnerable people in our society, a funding shortfall will have adverse impacts on many groups protected by Section 75. The main impacts are detailed in this section.

Social Housing Supply

The supply of new housing across all sectors is recognised as a significant issue: the Northern Ireland Executive launched the Housing Supply Strategy 2024 – 2039 in December 2024 and has put housing as one of the key immediate priorities in the Programme for Government (2024-2027).

The demand for housing is evidenced in the record levels of households applying for social housing. As of 31st March 2025 the number of households on the social housing waiting list stood at 49,083, with 37,635 households in housing stress. There were 31,719 households with Full Duty Applicant status - an increase of 2,325 from March 2024 - more than half of all households on the social housing waiting list are deemed to be homeless.

Whilst there are clear targets for delivery on an annual basis and in the longer term, in the last decade, the target of 2,000 social new homes each year has only been met twice.

As outlined in the DfC's draft budget allocation, the Social Housing Development Programme will only be able to start circa 1,000 new social homes in 2025/26, significantly below a target of 2,000 starts. A funding requirement of £230m is required for the 2,000 starts in 2025/26 - with £168.5m funding allocated, there is a shortfall of £61.5m.

If annual targets are not met, the longer-term targets become increasingly challenging to meet:

- The Programme for Government target for new social homes to be started from 2024 to end of 2027 is 5,850.
- The target for new social homes in the Housing Supply Strategy (2024 -2039) is 33,000.

The lack of supply has implications for the turnover of housing and in the allocation of homes in the sector. While the total number of allocations made by Housing Associations has slightly increased over a 3-year period, the number of first-time allocations made by Housing Associations to new build has decreased by 34.5%. In 2024/25 only 25% of Housing Association allocations were first time allocations. This would suggest that Housing Associations are continuing to allocate more of their new build to transfer applicants rather than first time applicants.

The supply of social housing stock is also impacted by the House Sales Scheme continuing for Housing Executive properties – there has been 1,800 sold homes sold over the last five years.

Despite the proven and demonstrable positive impact on 'Housing for All' in enabling communities to live together, no funding has been earmarked for Housing for All (shared housing) within the SHDP for 2025/26, which leaves this programme at risk.

Since 2016 the shared housing programme, has been supported by TEO Fresh Start funding paid through the Social Housing Development programme. This has enabled delivery of 53 new shared housing developments with another 32 in progress, 85 to date. The need to build more inclusive, safe and sustainable shared communities is as relevant now as when the programme started two decades ago.

Although delivery will continue for the for schemes already commenced a lack of specific funding may impact on future delivery and adversely impact the successful outcomes of current programmes and future projects as well as the support for the local advisory groups.

Implications for groups protected by Section 75

The proposed funding allocation is likely to substantially reduce the number of homes that can be built. New build social housing is a form of subsidised housing, aimed at supporting those who cannot access market housing due to lack of affordability. Therefore, any shortfall in new-build social housing will have an adverse impact across many of the Section 75 categories.

This will lead to households spending longer on the waiting list for housing, and in many cases spending longer periods in temporary accommodation or alternative unsuitable accommodation, which is more expensive, and will therefore generally widen inequalities across Northern Ireland.

The waiting list as of 31st March 2025, identifies a total of 37,635 applicant households in housing stress. Within these households we hold data on several Section 75 groups including religion, race/ethnic origin, age and disability.

This data suggests that any shortfall in funding for, and availability of social housing will have an adverse impact across Section 75 groups given the scale and depth of housing need across the country.

A sustained supply of social housing is required over the long term to meet new household formation and migration needs. A shortfall in planned supply of social housing will impact across the groups protected by Section 75 and could contribute to the lengthening of waiting lists, the widening of differentials between groups and the reduction of equality of opportunity generally.

In 2024/2025 the Housing Executive made 6,054 allocations to households on the waiting list. Of these households 171 required wheelchair accommodation, 1,970 needed ground floor accommodation, 1,080 were over the age of 60 and 95% of these were FDA homeless households.

The reduction in new social housing will adversely impact directly on older people, disabled people, homeless people, many of whom have additional needs and on families who need social housing generally. In addition, failure to meet needs based targets on new social housing starts has a direct effect on the ability to find accommodation for the most vulnerable and those who have Full Duty Applicant status, many of whom are dependent on temporary accommodation.

Wider Implications of reduced social housing output

Going beyond direct implications for groups protected by Section 75 of the Northern Ireland Act, dramatically reduced social housing output will have implications for economic growth which will impact these groups indirectly over time. 988 fewer homes than planned over a two-year period represents a significant 'shock' to output across the sector, from which it may take time for output to recover. This could impact on sentiment across providers, who need long term certainty to plan development. Furthermore, it will impact on sentiment and capacity across the construction industry, following several extremely volatile years. Such a reduction in output in a short period of time will have significant economic consequences for Northern Ireland.

Across Northern Ireland, five of the eleven councils have affordable housing policies in place and all other councils advanced stages with policies that have been subject to public inquiry or scheduled for public inquiry. These policies require mixed tenure developments, which includes the provision of social housing. This means that private and public developments are interdependent and a reduction in output in one tenure can impact another. Reduction in funding for new build social housing is likely to negatively impact on confidence in delivery for existing applicants and also may impact on councils at advanced stages of their Local Development Plan processes. Due to the low numbers of new build social housing starts that can be achieved with the budget allocation in 2025/26, this may stall progress within private developments, creating a drag on economic growth more generally.

Therefore, it is evident that any budgetary constraints that have the effect of reducing new build provision below the current ambition to deliver 2,000+ new social housing starts per annum would have a significant detrimental impact on meeting housing need. The expectation would be that the number of applicants in housing need would exponentially increase during this period which would require action to increase the provision of new build properties in future years to above the current ambition of 2,000 per annum.

Homelessness

As the Strategic Housing Authority, the Housing Executive provides a range of services to households experiencing homelessness, and funds crucially important services delivered by partners in the voluntary and community sector. The Housing Executive has a statutory duty to determine the homelessness status of households who present to us and to provide temporary accommodation to those determined to be homeless or those who are being assessed for homelessness.

Data on projected demand for homelessness services led to a requirement for funding of £37.75m in 2025/26, comprising £29.9m for statutory accommodation-based services, £4.3m for homelessness community-based prevention and support initiatives, and £3.45m for strategic prevention measures. Indicative programme funding of £37m has been allocated, resulting in a slight funding shortfall of £750k across the programme. This is a much-improved funding allocation than the previous two years for this largely demand-led service.

As outlined in the Social Housing Supply section above, the 2025/26 funding shortfall for the new build social housing programme will impact on the supply of new social housing. This in turn will have consequences for the demand for temporary accommodation. As the Housing Executive has an unending duty to provide temporary accommodation until a permanent tenancy is found, it is likely that households will spend longer living in temporary accommodation, waiting for a secure tenancy, putting further upward pressure on this budget. This will put upward pressure on the homelessness budget in the years to come.

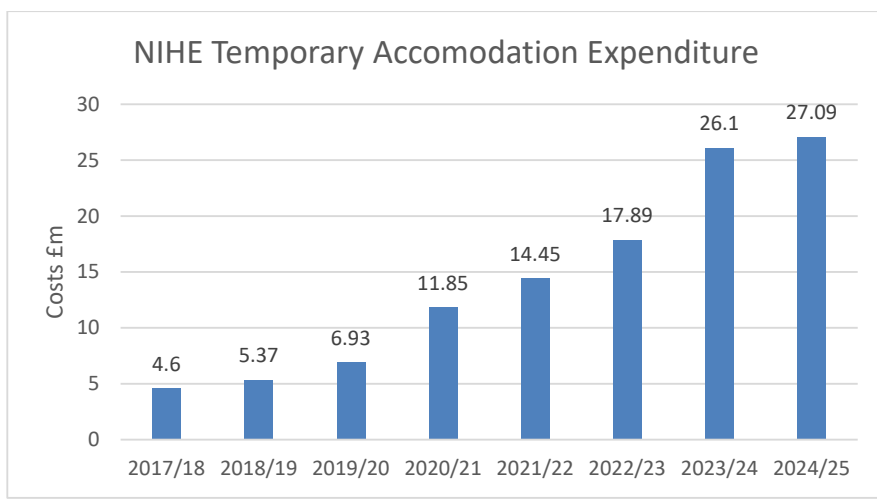
On the 31 March 2025, there were 31,719 households with Full Duty Applicant (FDA) status - an increase of 2,325 from 29,394 at end of March 2024 more than half of all households on the waiting list for social housing. In 2024/2025 the Housing Executive made 6,054 allocations to households on the waiting list – of these 95% of these were FDA homeless households.

There has been unprecedented growth in the number of households requiring temporary accommodation, soaring from 4,527 placements annually to 11,887 in just six years, an increase of over 160%. This trend is not unique to Northern Ireland and follows a global pandemic, an economic shock and the rising cost of living.

It is likely that the numbers seeking temporary accommodation will rise, and lengths of stay in temporary accommodation will grow, as the new build of social homes does not meet the necessary requirements and the fact that allocations to new and existing social housing continue to reduce.

Demand for services, coupled with lack of available temporary accommodation has increased the Housing Executive's use of hotel and B&B accommodation. This is approximately six times more expensive than standard temporary 'Single Let' accommodation, putting upward pressure on the temporary accommodation budget.

Given our dependence on temporary accommodation in the private sector and reflecting the increasing costs, expenditure in this area has increased dramatically in recent years. The graph below outlines the total temporary accommodation costs over the last eight years.



Increasing the supply of temporary accommodation is a key priority of the Housing Executive in order to reduce the use of non-standard accommodation such as hotels. Throughout the year we have secured 257 additional single-let properties across Northern Ireland, repurposed an additional 33 Housing Executive houses and brought in to use an extra 35 housing association properties to use as temporary accommodation. Our focus on delivering better value for money in the sourcing of these accommodation solutions has delivered a 5% reduction in the average nightly spend on nightly cost of non-standard accommodation.

Implications for groups protected by Section 75

The scale and nature of homelessness in Northern Ireland, and in particular growth in demand for temporary accommodation has grown across the categories of households protected by Section 75 of the Northern Ireland Act. However, homelessness and inequalities are inextricably linked, with many homeless households having a range of distinct needs. Daily we deal with younger people, young people leaving care, children living in temporary accommodation, women impacted by domestic abuse, refugee families and households with mental health or addiction challenges. People with disabilities who experience homelessness also have distinct needs and requirements. A shortfall in housing supply will have an adverse impact on all these groups.

In terms of race, there has been a sustained increase since July 2023 in the number of refugee households granted 'leave to remain' entering the homelessness system. Of the total number of households who received 'full duty applicant' status in 2024/25, 5% were households who had recently been granted leave to remain. A reduction on housing supply could have an adverse impact on equality of opportunity on the grounds of race.

While the current funding allocation will assist the Housing Executive in increasing investment in homelessness prevention over the course of 2025/26, those who are currently statutorily homeless and on the waiting list will continue to have entitlement to homelessness services and a robust new build programme working alongside homelessness prevention is vital to reduce the level of homelessness in Northern Ireland.

Supporting People Programme

Taking account of demand, the Housing Executive identified a funding requirement of £90.1m to include core programme requirements, progression of the Supporting People strategy, a Provider Innovation Fund and an uplift to account for inflationary costs and the rise in employer National Insurance costs. Whilst the indicative allocations include £81.697m (including £1m pipeline schemes) for the Supporting People Programme, there is a funding shortfall for investment in strategy or providers increasing running costs resulting in a pressure for this budget.

Further strategy work which will need to be paused and there is no provision for inflationary cost uplifts that will be incurred by providers (including employer National Insurance contribution increases). The impact of the increase in the minimum wage and employer national insurance costs may call into question the sustainability of providers already under financial pressure and struggling to retain staff.

Implications for groups protected by Section 75

Supporting People funding is provided directly to organisations helping customers who need support to live independently. These services are provided by organisations who are a mix of voluntary and community sector partners, independent organisations and public bodies. These services can range from “floating support” services in customers’ homes to resource intensive accommodation services for people with significant support needs, in addition to living in specifically designed dedicated accommodation.

Supporting People clients require support to address an identified need. Therefore, in any equality impact assessment of the Supporting People programme we suggest that addressing need is equivalent to reducing inequality or “promoting equality”.

Any gap between the funding identified in the Housing Executive’s budget submission and that made available to deliver these services is a direct reduction in our capacity to promote equality of opportunity.

Given the wide range of client groups likely to be affected and the significant proportion of those associated with disability (approximately 50%) we would suggest that, as a minimum, this should be regarded as an adverse impact in relation to disability. Greater analysis of the risk of removal or reduction of services will identify other client groups which could also be regarded as being adversely affected e.g. women impacted by domestic abuse, Irish Travellers, migrant workers, older people, young people etc.

Energy Efficiency Grants Programme

The proposed budget significantly reduces levels of funding for energy efficiency programmes tackling fuel poverty across Northern Ireland.

Using trends from previous years and based on levels of fuel poverty and need for the service, the Housing Executive projected a funding requirement of £14m to deliver the Affordable Warmth Scheme for 2025/26. The Scheme provided work to 2,118 homes last year (2024/25). Indicative funding of £7.5m has been allocated for 2025/26, resulting in a shortfall of £6.5m. As the carry forward commitment from 2024/25 was circa £5m, the budget allocation means that only 480 'new' applicants will be offered support under the Affordable Warmth Scheme during 2025/26 for in-year spend. The trends in funding for Affordable Warmth for the past five years are as follows:

	2020/21	2021/22	2022/23	2023/24	2024/25
Affordable Warmth budget	£ 6.677m	£11.816m	£16.201m	£14.365 m	£8.005m

Implications for groups protected by Section 75

It is likely that the proposed reduction in the programme outputs will adversely impact the following populations:

- Older people and persons with disabilities and others who are impacted by exposure to cold temperatures or who have need for higher temperatures in their homes.
- Persons with limited financial means and who spend a disproportionate amount of household income (i.e. those considered as suffering from fuel poverty) on fuelling inefficient heating systems, or who live in houses that have inadequate thermal capacity. This is more likely to impact adversely on persons with disabilities who are less likely to be in employment and older people living in older housing.

Irish Traveller sites

The Housing Executive is responsible for providing culturally sensitive accommodation for the Irish Traveller community in Northern Ireland. This includes a statutory duty to provide, manage and maintain serviced sites. There has been no budget allocated to carry out planned improvement sites, representing a shortfall of circa £0.4m.

Implications for groups protected by Section 75

The Race Relations (NI) Order 1997 identifies the Irish Traveller community as an ethnic minority, thereby making it unlawful for members of the community to be discriminated against based on their ethnicity. Section 75 of the Northern Ireland Act 1998 places a statutory obligation on public authorities in Northern Ireland to promote equality of opportunity and good relations between people of different racial groups, including Irish Travellers.

The Housing Executive, as a public authority, must ensure that its policies and practices promote equality for Irish Travellers, especially in relation to housing. The Housing Executive priority in this area is to enable access to quality transit and settled sites for Irish Travellers. This will be limited with the lack of capital funding for the two scheduled improvement programmes.

Mitigation and Alternatives

The majority of the Housing Executive strategic housing functions are either contractual, statutory in nature or being delivered following a Ministerial decision. Therefore, actively managing a shortfall in financial resource requirements will mean directly reducing services, programmes of work, housing supply and impacting on our ability to meet our statutory obligations.

The Housing Executive's Corporate Strategy and annual business plans are developed by prioritising those individuals, groups and geographical areas most in need and experiencing the greatest levels of inequality. This allows the Housing Executive to adjust programme delivery, recalibrate financial forecasts, and to re-prioritise based on sound evidence.

Conclusion

The Housing Executive bases its annual budget submission on the projected demand for housing and housing services and other programmes. These services and areas of work, including housing supply, are targeted towards those most in need and those experiencing the greatest levels of housing inequality. As this is data and evidence driven, it is a highly reliable predictor of service requirements across the housing sector.

A substantial percentage of the customers in receipt of these services have a range of complex or competing needs and belong to many of the Section 75 equality categories. Our services are intended to enhance their equality of opportunity, for example, through the Supporting People Programme to enable them to live independently; through the Social Housing Development Programme to give them the opportunity to live in an affordable and high-quality home; through our Affordable Warmth Scheme, to enable households to live in a warm and dry property. There is a measurable growing demand for these services and for the need for increased supply of social housing.

The Housing Executive considers that specific indicative allocations for housing will have an adverse impact across those already experiencing housing need and housing inequality particularly those who are in housing stress, those living in fuel poverty and energy inefficient housing. In addition, the implications of the indicative capital allocations will be felt beyond the budget for housing into health and budgets across the Northern Ireland public sector.