



**Response to Department for  
Communities Budget 2024-25 Equality  
Impact Assessment**

**21 July 2024**

## **Executive Summary**

As a public housing landlord and the Strategic Housing Authority for Northern Ireland, the Housing Executive plays a key role in improving the health, social and economic outcomes of households and communities in Northern Ireland.

Duties in Section 75 of the Northern Ireland Act 1988 are central to our work and mainstreamed into the services and programmes we provide to households protected by the legislation. These include people with disabilities; young people leaving care; the increasing number of young women presenting as homeless; households in rural areas; those in fuel poverty; refugees and people from abroad and vulnerable people, including many older people.

It is important to note that the Housing Executive is acutely aware of the strategic public finance challenges for Northern Ireland and, in particular, the financial constraints facing the Department for Communities (DFC) to continue to deliver critical public services.

It is our view that the indicative allocations as set out in the Budget 2024-25 Equality Impact Assessment (EQIA) by DFC 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, and those in need of housing support services to live independently. Furthermore, it is our view that the implications of the indicative allocations will be felt beyond the budget for DFC; reductions in grants for low income households living in the private sector are likely to have a material and immediate impact on health budgets.

The draft budget poses significant risks for a number of strategic programmes and services, either delivered by the Housing Executive or in partnership with organisations across the housing sector. It will lead to cuts in services, as early as October 2024.

- The level of funding for homelessness services is insufficient to meet statutory obligations to provide temporary accommodation based on projected demand.
- Wraparound and prevention homeless services, currently provided by voluntary and community organisations, will have to be greatly reduced.
- The Social Housing Development Programme will only be able to deliver circa 400 new social homes in 2024/25, significantly below the target of 2,000. This is the largest projected drop in social housing output of its kind in a generation at a time when housing need is at its most acute. More households will therefore be waiting longer for permanent housing, and many will have to remain in expensive temporary accommodation.
- The proposed budget means a significant reduction of £6.8m for the Affordable Warmth Scheme, resulting in a 53% cut in the number of households in fuel poverty (1,465) availing of the scheme compared with 2023/24.
- The indicative allocation of £80.7m (including additional £4.8m (expected to be non-recurring)) for Supporting People, prevents the full roll out of the Supporting People Strategy and the Providers Innovation Fund.
- The Fundamental Review of Allocations, which is aimed at creating a more effective and efficient system of allocating housing, faces significant funding uncertainty, as there is currently no budget set aside for this programme.
- The Housing Executive's bid to meet staff costs for the provision of Strategic Housing Authority services and programmes was not met. As the Housing Executive is currently carrying considerable vacancies in some teams, most obviously in our Housing Solutions Team, this reduction in allocation for housing staff will impact on our ability to provide homelessness services, management and oversight of the Supporting People Programme

and other critical services/It is also likely that the Housing Executive's Out of Hours Service will be adversely impacted, leading to closure or reduction in service.

- The allocated budget does not allow for contingency planning for emergency situations which could lead to increases in homelessness, e.g. extreme weather events. This is a significant concern.
- The allocated budget for homelessness does not reflect rising demand for temporary accommodation due to the recent increase in the number of households being awarded refugee status and requiring housing in Northern Ireland.
- The ability to financially plan or invest in housing services and programmes in the medium to long term – particularly in an environment of growing demand for critical services and housing need – is severely limited.
- The ability to enable systemic change to housing services and housing supply is greatly undermined, and this will have a material impact on our ability to commence work delivering a future Housing Strategy for Northern Ireland.

As the Housing Executive administers capital programmes such as social housing new build and private sector grants and delivers and funds services to some of the most vulnerable people in our society, any funding shortfall will have adverse impacts right across our society and therefore on many of the Section 75 equality groups. In summary, any reduction in the housing budget equates to a reduction in our ability to address the housing inequalities as well as health, social and economic inequalities that exist in Northern Ireland.

## **Funding Background**

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

Rental income that is generated in respect of 83,000 homes and commercial properties, funds the Landlord for improvements, repairs and services for tenants. Separately, the Strategic Housing Authority, as the housing agency for Northern Ireland, is wholly funded by Government grant for the provision of a wide range of critical housing related 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 new 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 2023/24 has a disproportionate impact on how programmes and services are delivered by the Strategic Regional Authority.

### **2024/25 Funding**

Following the restoration of the Executive on 3 February 2024, the Department of Finance commissioned the Executive's Budget 2024-25 Exercise on 18 February 2024. Following information gathering exercises to determine requirements, the Executive's Budget 2024-25 for Northern Ireland was agreed by the Executive and announced by the Finance Minister on 25 April 2024. The Budget

provides the Resource DEL and Capital funding allocations to departments for the 2024-25 financial year. DfC then published its Equality Impact Assessment on 11 June 2024.

The Housing Executive prepared a 2024/25 Budget Submission based on projected requirements to deliver statutory and non-statutory services by the Strategic Housing Authority, and, separately, to deliver an effective tenancy management service and stock investment to tenants. The Housing Executive's requirements are based on its analysis of current and future housing need and housing market trends.

The Housing Executive's Strategic Plan focuses on targeting and meeting housing need and reducing housing inequalities. We focus our business objectives on those individuals, groups or geographical areas most in need, in order to address existing or emerging areas of evidenced inequality.

The table below details the funding for Strategic Regional Authority services and programmes over the last five years as well as the indicative allocation for 2024/25.

|   | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | Indicative Allocation<br>2024/25 |
|---|---------|---------|---------|---------|---------|----------------------------------|
|   | £k's    | £k's    | £k's    | £k's    | £k's    | £k's                             |
| <b>Social Housing Development Programme</b> | 115,054 | 136,166 | 171,796 | 184,317 | 161,833 | 116,300                          |
| <b>Affordable Warmth</b>                    | 12,331  | 6,677   | 11,816  | 16,201  | 14,365  | 7,175                            |
| <b>Boiler Replacement</b>                   | 1,425   | 1,214   | 1,297   | 628     | 139     | 0                                |
| <b>Supporting People</b>                    | 73,279  | 85,145  | 75,653  | 78,519  | 74,632  | 80,694                           |
| <b>Homelessness</b>                         | 12,114  | 19,366  | 24,148  | 25,719  | 33,319  | 30,362                           |

The indicative funding allocations for 2024/25 Strategic Regional Authority's capital and revenue programmes falls significantly short of the requirements identified within the Housing Executive's 2024/25 Budget Submission. This is particularly concerning given the adverse impact that these funding constraints will have across all Section 75 groups.

## **Housing Executive EQIA Response**

The purpose of this document is to identify the implications of the indicative budget allocations for the Housing Executive, with particular 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 highlights a relationship between waiting times and such characteristics as religion, disability (wheelchair standard), and age.
- Analysis of homeless 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, etc.

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

It focuses on five key areas:

- Energy efficiency grants programme
- Social Housing Development Programme
- Homelessness
- Supporting People
- Funding of delivery of services and programmes: staff costs

## **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 £17.5m to deliver the Affordable Warmth Scheme for 2024/25. The Scheme provided work to 2,746 homes last year (2023/24). Indicative funding of £7.175m has been allocated for 2024/25, resulting in a shortfall of £10.325m. There will therefore be a 53% reduction in the number of homes availing of the Scheme in 2024/25 to circa 1,281 when compared with last year. The trends in funding for Affordable Warmth for the past five years are as follows:

|  | 2019/20  | 2020/21  | 2021/22  | 2022/23  | 2023/24   | 2024/25<br>Projected |
|--|----------|----------|----------|----------|-----------|----------------------|
| <b>Affordable Warmth budget</b>        | £12.331m | £ 6.677m | £11.816m | £16.201m | £14.365 m | £7.175m              |
| <b>Interventions (Homes supported)</b> | 2,594    | 1,599    | 2,841    | 3,308    | 2,746     | 1,281                |

### **(b) Implications for groups protected by Section 75**

The 2016 House Condition Survey estimated that approximately 22% (160,000) of households in Northern Ireland were in fuel poverty.

- One-third (34%) of households living in rural areas: small villages, hamlets or open country areas were in fuel poverty.
  - Almost two-fifths (38%) of households headed by an older person (75 plus) were in fuel poverty.
- Fuel poverty was higher in households with household reference person (HRP) who were not working (32%) or retired (31%).

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.

## **Social Housing Development Programme (SHDP)**

The Housing Executive plays a central role in measuring the scale and nature of housing need in Northern Ireland.

The table below outlines projected housing need and allocations figures for Northern Ireland for the period 2022 to 2024.

|                       | <b>2022</b> | <b>2023</b> | <b>2024</b> | <b>Var 2022-2024</b> |
|-----------------------|-------------|-------------|-------------|----------------------|
| <b>Projected Need</b> | 20,255      | 23,557      | 24,922      | 23%                  |
|                       |             |             |             |                      |
| <b>Allocations</b>    | 6,010       | 5,796       | 5,710       | -5.0%                |

For the period covering the last 3 years of the SHDP 2022 – 2024, the projected housing need or the number of new build social homes required across Northern Ireland increased by 23%. This is a continuation of the trend of year-on-year increases in Projected Housing Need which has increased by 73.2% from 2018 to 2024.

The upward trend in Projected Housing Need figures is currently not being matched by new build completions through the SHDP, as shown in the table below:

|                         | <b>2022</b> | <b>2023</b> | <b>2024</b> | <b>Increase from 2022</b> | <b>Annual Average</b> |
|-------------------------|-------------|-------------|-------------|---------------------------|-----------------------|
| <b>Projected Need</b>   | 20,255      | 23,557      | 24,922      | 4,667                     | 1,556                 |
|                         |             |             |             |                           |                       |
|                         | <b>2022</b> | <b>2023</b> | <b>2024</b> | <b>Total</b>              | <b>Annual Average</b> |
| <b>SHDP Starts</b>      | 1,713       | 1,956       | 1,508       | 5,177                     | 1,726                 |
| <b>SHDP Completions</b> | 835         | 1,449       | 1,403       | 3,687                     | 1,229                 |

The annual average number of SHDP completions over the last three years is 26% below the average annual increase in projected housing need for the same period.

Alongside this, the Housing Executive continues to sell a number of its public housing stock annually through the House Sales Scheme. The table below details the number of house sales made over the last 5 years.

|         |     |
|---------|-----|
| 2019/20 | 448 |
| 2020/21 | 239 |
| 2021/22 | 444 |
| 2022/23 | 554 |
| 2023/24 | 355 |

It is important to note the increases in new build requirement is not only linked to the increase in applications for social homes. The number of allocations to all applicants has decreased by 5% for the same period as shown in the table below:

|   | 2022  | 2023  | 2024  | Var 2022-2024 |
|---|-------|-------|-------|---------------|
| <b>All Allocations</b>                    | 6,010 | 5,796 | 5,710 | -5.0%         |
| <b>Housing Executive</b>                  | 3,160 | 2,801 | 2,908 | -8.0%         |
| <b>Housing Association</b>                | 2,850 | 2,995 | 2,802 | -1.7%         |
|   |       |       |       |               |
| <b>1<sup>st</sup> time HA Allocations</b> | 1,350 | 1,217 | 748   | -44.6%        |
| <b>Percentage 1<sup>st</sup> time</b>     | 47%   | 41%   | 27%   |               |

While the total number of allocations made by Housing Associations has only slightly decreased over the 3-year period, the number of first-time allocations made by Housing Associations to new build has decreased by 44.6% and in 2023/24 only 27% of Housing Association allocations were first time allocations. This would suggest that Housing Associations are increasingly allocating more of their new build to transfer applicants rather than first time applicants.

(a) The following table looks at programme delivery and budget outturn since 2019/20.

| Programme Year         | SHDP Budget Outturn | Starts – Target | Starts – Actual | Variance |
|------------------------|---------------------|-----------------|-----------------|----------|
| <b>2019/20 (Covid)</b> | £115,053,838        | 1,850           | 761             | (1,089)  |
| <b>2020/21</b>         | £136,166,030        | 1,850           | 2,403           | 503      |
| <b>2021/22</b>         | £171,795,821        | 1,900           | 1,713           | (187)    |
| <b>2022/23</b>         | £184,317,260        | 1,950           | 1,956           | 6        |
| <b>2023/24</b>         | £161,833,317        | 1,500           | 1,508           | 8        |

(b) In 2022, the Housing Executive worked closely with DfC to expand SHDP delivery and at that stage it profiled starts targets of 2,100 in 2023/24, 2,300 per annum from 2024/25.

(c) There are currently 5,744 SHDP units under construction, the majority of which are expected to be completed by 2026/27. If projected housing need continues to increase, based on current trends, it is reasonable to assume that annual SHDP completions will continue to fall below the annual increase in Projected Housing Need and, consequently, the SHDP will have no material impact of “turning the curve” to commence the process of reducing social housing need figures.

#### (a) Funding Requirement

The Housing Executive’s Commissioning Prospectus outlines the scale and nature of need for new build social housing.

The table presents a summary of new build requirement trends since 2015. Overall, projections are up 6% in the last year, but up 73% since 2015. A new build requirement of 24,992 homes has been identified for the period 2023-2028.



| 5 year HNA x Local Government District trends   |         |         |         |         |         |         |         |         |          |                       |                          |
|---|---------|---------|---------|---------|---------|---------|---------|---------|----------|-----------------------|--------------------------|
| LGD   | 2015-20 | 2016-21 | 2017-22 | 2018-23 | 2019-24 | 2020-25 | 2021-26 | 2022-27 | 2023-28* | % Change<br>2015-2023 | % Change<br>in last year |
| Antrim & Newtownabbey   | 803     | 840     | 912     | 847     | 994     | 1159    | 1019    | 1125    | 1229     | 53%                   | 9%                       |
| Ards & North Down   | 1249    | 1032    | 706     | 872     | 797     | 954     | 1068    | 1150    | 1390     | 11%                   | 21%                      |
| Armagh, Banbridge & Craigavon   | 302     | 302     | 327     | 360     | 504     | 646     | 820     | 1101    | 1498     | 396%                  | 36%                      |
| Belfast   | 5434    | 5393    | 4704    | 4471    | 4778    | 5118    | 6125    | 7984    | 8551     | 57%                   | 7%                       |
| Causeway Coast & Glens  | 596     | 501     | 592     | 610     | 791     | 1010    | 1347    | 1544    | 1638     | 175%                  | 6%                       |
| Derry City & Strabane   | 1976    | 2552    | 2818    | 2744    | 2797    | 3890    | 4126    | 4070    | 4066     | 106%                  | 0%                       |
| Fermanagh & Omagh   | 117     | 145     | 179     | 245     | 334     | 469     | 637     | 748     | 905      | 674%                  | 21%                      |
| Lisburn & Castlereagh   | 800     | 846     | 800     | 1015    | 1058    | 1450    | 1576    | 1914    | 1636     | 105%                  | -15%                     |
| Mid & East Antrim   | 935     | 842     | 800     | 643     | 676     | 1065    | 984     | 856     | 863      | -8%                   | 1%                       |
| Mid Ulster  | 538     | 599     | 577     | 700     | 685     | 718     | 780     | 884     | 912      | 70%                   | 3%                       |
| Newry, Mourne & Down  | 1693    | 1906    | 1959    | 1884    | 1864    | 1626    | 1773    | 2181    | 2234     | 32%                   | 2%                       |
| Northern Ireland  | 14443   | 14958   | 14374   | 14391   | 15278   | 18105   | 20255   | 23557   | 24922    | 73%                   | 6%                       |
| * provisional figures pending final Belfast and Lisburn booklets and North region check on written notes. |         |         |         |         |         |         |         |         |          |                       |                          |

Based on this data, a funding requirement of £193m was identified in order to commission 2,000 new social housing starts in 2024/25, to contribute to meeting housing need. £116.3m has been allocated on an indicative basis which will have significant implications for levels of housing need.

In 2023/24, the Housing Executive bid for 2,000 starts, based on its Commissioning Prospectus. It was funded to start 1,508 homes. In 2024/25 the Housing Executive bid for 2000 starts based on data in the Commissioning Prospectus, however it looks likely that funding will be available for up to 417 homes. Across both years, there will be 2075 fewer social housing starts than planned, due to reduced funding allocations.

#### (d) Implications for groups protected by Section 75

As detailed in the EQIA document, the proposed funding reduction 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.

It 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 31<sup>st</sup> March 2024, identifies a total of 35,464 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 reduction in funding 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 2023/2024 the Housing Executive made 5,710 allocations to households on the waiting list. Of these households 132 required wheelchair accommodation, 1,841 needed ground floor accommodation, 1,210 were over the age of 60 and 93% of these were FDA homeless households.

New social housing is a vital element of the supply of social housing. 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, the reduction of 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.

Budgetary reductions for social housing new build come at a time of falling house building completions overall. Official figures confirm that fewer than 4,000 new houses across the private and social sectors were completed in the first nine months of this year. That compares to more than 5,000 during the same period in 2021 and 2022 and is also lower than the same period in 2020 when construction work was significantly curtailed by the pandemic. As social housing is counter cyclical and can often de-risk mixed tenures sites, had capital subsidy been invested in social housing, it would have been an opportune period to ramp up output in the coming years, taking advantage of opportunities arising from reduced output in other tenures, which sustaining housing output overall.

Housing Association board and financial lenders require certainly and reliability with regards to development plans and costs, so to help achieve those assurances, it's imperative a restored Northern Ireland Executive delivers on the promises of a multi-year budget that will help create a pipeline of work ensuring we have the land, infrastructure, supply chain, labour and the financing all prepared to tackle our growing waiting list for housing.

(e) 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. 2,075 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 will impact on sentiment across the housing association sector, 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 will have 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 very low numbers of new build social housing starts in 2024/25, 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.

There is also a statutory responsibility to formulate and publish a strategy to address homelessness in Northern Ireland. The 'Ending Homelessness Together – Homelessness Strategy 2022-27' reflects a continued need for the Housing Executive to work with partners across the sector to achieve the following objectives:

- Prioritise homelessness prevention;
- Address homelessness by providing settled, appropriate accommodation and support;
- Support customers to transition from homelessness into settled accommodation.

### **Funding Requirement**

Data on projected demand for homelessness services led to a requirement for funding of £44.5m in 2024/25, comprising £35.8m for statutory accommodation-based services, £4.2m for community-based prevention and support initiatives, and £4.5m for strategic prevention measures. Indicative programme funding of £30.4m has been allocated, resulting in a significant funding shortfall of £14.1m across the programme.

Over the past five years, there has been unprecedented growth in the number of households requiring temporary accommodation, soaring from 4,527 placements annually to 11,368 in just five years, an increase of over 150%. This trend is not unique to Northern Ireland and follows a global pandemic, an economic shock and the rising cost of living.

The number of households currently living in temporary accommodation is a small proportion of the households who are entitled to do so. On the 31 March 2024, there were 29,394 households with Full Duty Applicant (FDA) status, more than half of all households on the waiting list for social housing. This number has increased by 40% since March 2020. The Housing Executive owes a duty to these households to provide temporary accommodation and is conscious that at any point they could present seeking those services. Therefore, it is likely that the numbers seeking temporary accommodation will rise, as allocations to new and existing social housing reduce.

All authorities with responsibility for homelessness services must also prepare for other eventualities, such as extreme weather events, unexpected geopolitical events (e.g. the invasion of Ukraine) or a spike in Covid-19 cases, which could lead to an increase in those requiring accommodation.

Given our dependence on accommodation in the private sector and reflecting trends in the cost of private rented sector accommodation, the cost of providing temporary accommodation has increased dramatically in recent years, increasing the cost of meeting our statutory obligations.

### **Total Temporary Accommodation Costs**

| <b>Year</b> | <b>£ks</b> |
|-------------|------------|
| 2017/18     | 4,607      |
| 2018/19     | 5,375      |
| 2019/20     | 6,931      |
| 2020/21     | 11,853     |
| 2021/22     | 14,450     |
| 2022/23     | 17,894     |
| 2023/24     | 26,100     |

*(The 2023/24 figure is 5.7 times greater than 2017/18)*

*Note these figures are net of HB income.*

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.

Furthermore, the scaling back of the new build social housing programme will impact on 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.

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.

On a daily basis we deal with younger people, young people leaving care, children living in temporary accommodation, women fleeing domestic abuse, migrant workers, 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 services will have an adverse impact on all of these groups.

In terms of race, there has been a considerable increase in the number of refugees with 'leave to remain' entering the homelessness system, therefore, a reduction on funding could have an adverse impact on equality of opportunity on the grounds of race.

Spend on temporary accommodation, a demand-led service to meet our statutory obligations, reduces our capacity to fund prevention services. In 2023/24 circa £4.46m was invested in homeless prevention and support activities, representing just 13% of the overall £33.3m programme cost. The level of constraint on the homelessness budget in recent years, coupled with rising demand, has meant we have funded responsive services at the expense of strategic programmes such as homelessness prevention and tenancy sustainment. A central principle of our Homelessness Strategy,

developed in partnership with other statutory organisations and the voluntary and community sectors, is a strategic shift away from 'emergency response' to prevention.

With these strategic imperatives in mind, a funding requirement of £44.5.4m has been identified by the NIHE. This would enable us to meet our statutory obligations to provide temporary accommodation, while also ensuring that services are available to people experiencing homelessness, to enable them to progress towards a resolution of the issues that have contributed to their homelessness.

These services are an essential component of the homelessness model in Northern Ireland and are delivered in partnership with voluntary and community sector organisations, directly funding staff costs to provide services to people experiencing homelessness. Initiatives currently supported through the fund include wraparound guidance and support, counselling and mentorship, intensive support for those presenting with additional mental health and addiction needs and regular access to a variety of support professionals. One of the projects, delivered by Women's Aid, delivered literacy and numeracy skills over a series of sessions, assisting attendees not only with household budgeting but also to gain qualifications which enabled over half of those engaged to gain employment during the term of the project, creating the conditions for households to sustain permanent tenancies and move beyond a situation of insecure housing or homelessness. The Housing Executive was not in a position to support a Homelessness Prevention Fund in 2023/24 and the current budget provision will not facilitate the delivery of such a fund in 2024/25.

**(b) Implications for groups protected by Section 75.**

Based on current projections, the indicative allocations would not allow for the Housing Executive to discharge its core statutory homeless duty of providing accommodation to the homeless presenters.

Furthermore, this leaves no funding available to support both the community prevention and support initiatives and strategic prevention measures. This will have a dramatic impact on our ability to ensure that households living in temporary accommodation sustain these temporary tenancies. For many households, living in temporary accommodation without some support or assistance, repeat homelessness is highly likely. On the basis of its professional experience, the Housing Executive would expect to see more visible homelessness in towns and cities across Northern Ireland as a result of this reduction in funding.

The relationship between homelessness and inequalities is recognised and confirmed by national and global research and evidence. The practical implications for people experiencing homelessness are profound and have been identified to us through our 'Lived Experience' programme, a key part of our Homelessness Strategy.

Should the indicative allocations be confirmed, it would put at risk the majority of the following services:

- Community Based Support and Prevention Support Initiatives
- Homelessness Prevention Fund
- Housing First for Youth
- Complex Lives

These services support a range of people with distinct needs and from a Section 75 perspective will be adversely impacted by any reduction in support. The timing of decisions to close services is critical.

**Allowing for a three-month lead in time, service closures will commence from the end of October 2024.** In practical terms, this will impact upon 19 projects across Northern Ireland. These projects range from upstream prevention services to day centres and outreach support that provide a vital service to those experiencing chronic homelessness and rough sleeping, often preventing individuals from engaging with the health and justice systems. This could leave thousands of people experiencing homelessness without services to enable them to resolve their homelessness. The NIHE fully expects that this will lead to more visible signs of homelessness across cities and towns.

#### *Homelessness Prevention*

The Homelessness Strategy 2022-27 has identified homelessness prevention as a key priority. The Homelessness Prevention Fund was last delivered in 2022/23 where a total of 34 projects were supported. Lack of funding for prevention in 2024/25 would result in only a minority of prevention services for the following groups:

- Youth homeless including former care leavers;
- Older people;
- Victims of domestic abuse; mainly women
- People experiencing or impacted by addictions;
- People with mental ill-health;
- People at risk of losing private rented sector accommodation;
- People with lived experience in the criminal justice system.

#### *Housing First for Youth*

The absence of this service would impact on the Housing Executive's ability to support young people who are at the chronic end of homelessness. Housing First provides wraparound support and is vital in ensuring that young people, many of whom may have engaged with the care system, have the support to sustain their tenancies and this in turn supports positive outcomes in respect of mental health and addiction prevention.

#### *Complex Lives*

This service supports clients at the most complex, vulnerable and chronic end of homelessness. This would predominantly impact on single person households with single females a growing client group in respect of wider public concern and the relatively small amount of female specific services within Belfast. The service also supports the delivery of many non-accommodation services, namely extreme addiction and mental health support.

Progression of these initiatives is key to reducing future demand being placed on homeless services and our ability to provide the most appropriate and cost-effective solution to meet individual's needs. **Notably, they are core components of the Homelessness Strategy** which the Housing Executive has consulted on and which has widely been welcomed in respect of the scale of its ambition in supporting our most vulnerable households. Failure to fund these strategic prevention initiatives would in effect mean the strategy is not deliverable, and in terms of the EQIA could represent adverse impacts in terms of disability, age, race and gender.

## **Supporting People Programme**

### **(a) Funding Requirement**

Taking account of demand, Housing Executive identified a funding requirement of £85.3m to include core programme requirements, progression of the Supporting People strategy, a Provider Innovation Fund and an uplift to match an existing uplift applied by the Department of Health to jointly funded schemes.

Whilst the indicative allocations include £80.7m (allowing an inflationary uplift to be applied in the financial year 2024/25 only, in the expectation that this is non-recurrent) for the Supporting People Programme, there is no funding provided for investment in strategy, pipeline schemes or Providers Innovation Fund resulting in a continuing pressure for this budget.

**(b) Implications for groups protected by Section 75**

It is important to understand all aspects of the Supporting People service. This service is provided directly to customers who need support in addition to or in association with their accommodation. 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.

The nature of all Supporting People clients is that they require support in order 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 precise 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.

## **Funding the delivery of services and programmes: NIHE staffing costs**

Homelessness services, Supporting People services and other Housing Executive services such as the provision of grants are overseen by Housing Executive staff. The Housing Executive’s bid to meet staff costs for the provision of services was not met in full, leaving a significant shortfall. This will have implications for the ability of the Housing Executive to continue to deliver services.

The Housing Executive provides an ‘out of hours’ service to people experiencing homelessness, to ensure services are available around the clock. Demand for this service has grown by 1370% in the past five years. The current indicative allocation puts the provision of this service at risk.

The Fundamental Review of Allocations, the programme to reform the system of social housing allocations, currently faces significant funding uncertainty. The review began in 2017 with widespread consultation including an EQIA. Progress with the review, which will result in practical changes for everyone on the housing waiting list, is currently being progressed at risk and may have to be halted later this year if funding is not allocated. This would undermine our fundamental system of allocations and would place at risk all of the work carried out to date, resulting in nugatory



spend. This is a 4 Stage project and given that we are now completing Stage 2 and will have delivered 9 of the 20 Proposals, the potential for nugatory effort and spend would be significant.

## **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 reduction in financial resource requirements will mean directly reducing services 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 majority of DfC grant funded services and programmes that the Housing Executive provides are targeted towards those most in need and those experiencing the greatest levels of housing inequality. The Housing Executive has based its budget submission on projected demand for housing and housing services and programmes, which is done on an annual basis, and which has proven to be a highly reliable predictor of service requirements.

Many customers in receipt of these services have a range of complex or competing needs, and 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 a sustainable and high quality home; through our Affordable Warmth Scheme, to enable households to live in a warm and dry property. These services, quite simply, target inequality and promote equality of opportunity. Reductions in resource at a time of growing demand will present a range of adverse impacts, across many of the equality categories and more generally, and it is likely will increase rather than reduce inequality.

The ability to enable systemic change to housing services and housing supply is greatly undermined, and this will have a material impact on our ability to commence work on a future draft Housing Strategy. The consequential impact for the economy will be significant, given housing's role as a growth lever.

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