

**Simon Community submission
to the Department for
Communities Budget 25/26
EQIA consultation**

August 2025

Who is Simon Community?

As Northern Ireland's largest homelessness charity, Simon Community is determined in our commitment to ending homelessness. Operating right across the region and working in partnership with all sectors, we provide preventative services, temporary accommodation and specialised support to address the unique challenges faced by those experiencing homelessness. Our aim is not only to provide immediate assistance but also long-term solutions that end the cycle of homelessness for good and help to create a society where everyone has a place to call home.

Executive Summary

Simon Community are deeply concerned about the proposed allocations to the Department for Communities in 2025/26, which we believe are insufficient to tackle the mounting homelessness crisis in Northern Ireland and could in fact, exacerbate the problem. We have particular concerns about the proposed funding for:

Homelessness services and the Supporting People programme: While we welcome the ringfenced allocation for homelessness prevention, we stress that this must be recurrent funding to achieve the positive impact we know is possible. However, we are extremely disappointed that the proposed budget for the Supporting People programme contains no provisions to support providers to respond to inflationary pressures and the increased costs of Employer National Insurance Contributions and National Living Wage. This poses a significant risk to the viability of services and could mean that many will have to close or reduce the range of support available, resulting in significant adverse impacts for people at risk of or experiencing homelessness as well as wider society.

Social Housing Development Programme: The proposed funding, which is only enough to deliver around half of what is needed this year, is entirely insufficient to meet agreed government targets and identified need. This is resulting in increasing numbers of people becoming trapped in unsuitable and expensive temporary accommodation, which negatively impacts health and wellbeing and widens social inequalities.

If we are to build a better, more equal society in which everyone can thrive, then we must make sure everyone has access to a safe place to call home. Simon Community call on the Northern Ireland Executive to do all that they can to ensure additional funding is sourced in upcoming monitoring rounds for mitigating increased costs to Supporting People providers and investment in social home development.

Introduction

Simon Community are well aware of the budget constraints facing the Northern Ireland Executive (NIE) this year. However, **we are deeply concerned with the proposed 2025/26 allocations to the Department for Communities which we believe are insufficient to tackle the deepening homelessness crisis** and may in fact exacerbate the number of people in our society who find themselves without a safe place to call home.

Around 60,000 people here (or 1 in every 32) are now officially homeless and almost a third of these people are under the age of 18.ⁱ Yet the true figure could be closer to 85,000 given that our research estimates there could be up to 25,000 people experiencing ‘hidden homelessness’, invisible to and unsupported by statutory services.ⁱⁱ Our social housing waiting list has reached a record high, with nearly 90,000 people in need of a safe and secure social home.ⁱⁱⁱ Yet this shocking reality does not seem to have been adequately recognised by the NIE when making decisions on allocation of resources this year.

In our response to the Department of Finance consultation on the 25/26 Draft Budget in March 2025, Simon Community highlighted the importance of sufficient funding for new social home development as well as the need for an adequate Supporting People budget that takes account of annual inflation rates and the UK Government decision to increase Employer National Insurance Contributions (ENICs) and the National Living Wage (NLW). We are therefore extremely disappointed that neither point appears to have been taken on board by the NIE when making their allocations to Departments. Ultimately, it will be some of the most vulnerable in our society – those at risk of or experiencing homelessness – who will be hardest hit by a lack of social housing and homelessness services that are stretched too thin.

It’s clear to all that the homelessness crisis is worsening in Northern Ireland. The number of people with official homelessness status has increased by nearly 20,000 in the past five years alone.^{iv} To stop this crisis escalating further, we must do things differently. This needs to start with a change in how we allocate resources.

Below we will set out our views on two areas where we think change is needed as well as our thoughts on how the current allocations will impact on Section 75 groups: funding for homelessness and Supporting People providers, and funding for the Social Housing Development Programme.

Homelessness services and Supporting People Programme

According to their response to this EQIA consultation, the Northern Ireland Housing Executive (NIHE) identified a funding requirement of £90.1m this year to deliver core Supporting People programme requirements, progress the Supporting People Strategy, deliver a Provider Innovation Fund and provide an uplift to providers to cover inflationary costs and the rise in ENICs.^v Instead, the indicative allocation for the programme this year is around £81.7m which, according to the NIHE, means a shortfall for strategy investment and nothing to cover providers increased running costs.

The EQIA document does propose an additional £3.7m above the 24/25 budget position for homelessness and the Supporting People programme. However, given that Supporting People also helps other vulnerable groups like older people and those with disabilities or mental health issues, it is not immediately clear from the consultation document how much of this money will go directly to homelessness services.

However, in a briefing to the Communities Committee in May 2025, a departmental official clarified the £3.7m breakdown as follows: £2.5m for homelessness prevention, £1m to fund additional pipeline projects through Supporting People, and £0.2m towards a specific project run by a foundation.

Simon Community strongly welcome the specific allocation for homelessness prevention. It is well acknowledged that over the past few years money that should have been spent on homelessness prevention efforts has been redirected to funding temporary accommodation (including non-standard accommodation) in response to the spiralling number of people presenting as homeless. The recent Northern Ireland Audit Office report on homelessness highlighted that the NIHE spends less than 10% of its' homelessness expenditure on prevention and early intervention, despite this being a strategic priority of the *Ending Homelessness* strategy.^{vi} We therefore believe that this ringfenced allocation has the potential to make a significant impact on preventing homelessness and look forward to working with the NIHE on this.

Simon Community believe that homelessness prevention funding should be targeted as far upstream as possible and prioritise cross-departmental collaboration to tackle the underlying causes of homelessness. Prevention support should include financial relief, wellbeing support such as counselling and family mediation, access to expert advice on housing, debt and benefits, as well as efforts to build the capacity of support services to respond quickly and meaningfully to people who are in crisis.

However, the true impact of prevention in terms of outcomes for people and a reduction in pressure on other services and budgets will take time. We therefore **strongly urge the**

Department for Communities to ensure that this funding is recurrent and that this represents the first step in making the strategic shift to prevention.

Unfortunately, the situation is not as positive when it comes to funding for the **Supporting People programme** this year. Despite praise from the Minister for Communities over the past few years for the Supporting People programme, when you consider the breakdown of the additional £3.7m allocation, it appears that **the 25/26 budget for the programme will be effectively frozen at 24/25 levels.**

This gives no consideration to the impact of inflation – despite repeated calls from the sector for annual inflationary uplifts. Most significantly, it **means no mitigations to support providers to deal with the cost of responding to ENICs and NLW increases.** As revealed in a recent Assembly Question to the Minister, the cost of the ENICs changes and the rising NLW to Supporting People providers is estimated to be around £5.5m this year.^{vii} 40% of this cost falls on homelessness services who will be forced, in times of soaring demand for our services, to source an additional £2.3m in 2025/26 to ensure services remain viable.

As the largest Supporting People provider, Simon Community have estimated that we will need to source around an additional £300,000 to ‘top-up’ Supporting People funding and ensure our services remain sustainable this year. This means that charitable funds donated by the public will have to be used to essentially deliver a statutory duty as outlined in the Housing (NI) Order 1988 – the provision of accommodation and assistance to people experiencing homelessness. While it is vital that we ensure our services remain safe and sustainable, this does significantly hinder our ability to invest in other areas such as enhanced homelessness prevention support, counselling and wellbeing services for the people we support, and increased move-on options to help end homelessness such as our Creating Homes scheme.

We were therefore extremely disappointed to learn that a bid by the Department for Communities in the June Monitoring Round for £2.2m to help cover increased ENICs costs for Supporting People providers was denied.^{viii} We question what the rationale for this decision was given the repeated warnings from the sector about the potential devastating impact of these increased costs on our ability to support people and families at risk of or experiencing homelessness. **If services become no longer sustainable, what support will be available for the over 300 people and families who present as homeless every week?**^{ix}

We also note that the DfC EQIA document outlines a £2.8m increase to voluntary and community sector funding this year to deal with *‘pressures facing the sector including real living wage, employers national insurance contributions and other inflationary pressures’*. While it’s not entirely clear which organisations in the voluntary and

community sector will be supported by this funding, it seems that this will not apply to organisations funded by Arm's Length Bodies such as the NIHE. If this is the case, we ask the Department for Communities what is the reasoning behind this inequality in treatment?

The lack of mitigations for these increased costs coupled with a failure to consider the impact of inflation means **the current proposed allocations for the Supporting People programme are completely insufficient** and will, as highlighted by the NIHE in their response to this consultation, “*call into question the financial viability of some Supporting People schemes in the short to medium term*”. The capacity and resilience of homelessness support services is already stretched to breaking point. These increased costs will only have further devastating consequences for service providers and the people we support.

Like many providers, Simon Community is struggling to recruit and retain staff due to insufficient and uncertain funding. In 2024/25, we had a 20% vacancy rate in our accommodation and community support worker roles – a key role that provides 24-hour support to those accessing our services. This high vacancy rate places considerable strain on our staff, who often go above and beyond to support those experiencing homelessness and negatively impacts staff morale.

Like other providers, we have also witnessed a significant increase in the complexity of the needs of those we support over the past decade, particularly in terms of mental health and addiction. Last year, nearly half (45%) of the people Simon Community worked with required support with their mental health, while 1 in 4 needed help with their physical health. 17% of the people we supported had a serious medical condition, while 16% had a disability. Current funding levels do not take into account the skills and expertise our frontline staff must have to meet these increasingly complex needs. Instead, funding is contributing to unsafe staffing levels and higher risks for both staff and the people we support.

There is a real risk that some services in the sector will be forced to reduce the range and type of support available to people at risk of or experiencing homelessness. If homelessness support services were forced to close, the impact would be immediate. People experiencing homelessness would lose critical support. There would be even more people without a safe place to live, more pressure on emergency services and even fewer pathways out of homelessness. All of this would mean significant knock-on effects and costs for already strained public services such as health, social care and justice.

The continued insufficient funding for Supporting People providers is particularly inexcusable when you consider that a Strategic Needs Assessment conducted by the

NIHE in 2020 identified a gap of 14% between the level of need and the supply of housing support services.^x The report noted that this gap will continue to grow and likely increase by around 8-16% in the next three years. This means that the gap between services and level of need today is likely to be anywhere between 30% and 46%, although could be even greater given the 47% increase in the number of people with homelessness status in the past five years alone.

We know the Department are well aware of these risks and challenges. It is therefore shocking to us that the EQIA document states that *“the Department’s assessment of the likely impact of the Budget 2025-26 Supporting People and Homelessness allocations upon those within Section 75 categories has not identified any potential adverse or differential impacts”*. **Any risks to the sustainability of services or our ability to provide a wide range of support will mean adverse impacts for the people who need our services.** In their response to this consultation, the NIHE highlight that groups who could be negatively impacted by a reduction in support services include women impacted by domestic abuse, Irish travellers, migrant workers, older people and younger people.

According to recent FOIs to the NIHE and Department for Communities statistical bulletins, we know that:

- Around a third of those who are officially homeless are under the age of 18, while nearly 8,000 more are aged 18-25.^{xi}
- Around 4,700 people aged 65 and over are currently experiencing homelessness.^{xii}
- Over half (56%) of households currently experiencing homelessness are headed by women.^{xiii}
- Over 11,000 families are homeless and the majority of these households (84%) are led by women.^{xiv}
- In the six months from October 2024 to March 2025, 609 households presented to the NIHE as homeless due to domestic abuse. In the vast majority (83%) of these households, women are the main applicants.^{xv}
- In the six months from October 2024 to March 2025, 708 households presented as homeless after leaving the asylum system.^{xvi}

These are the people who will be impacted most by the closure and reduction of support services. We therefore do not accept the Department’s assessment that the current proposed allocations will have no adverse impact on Section 75 groups.

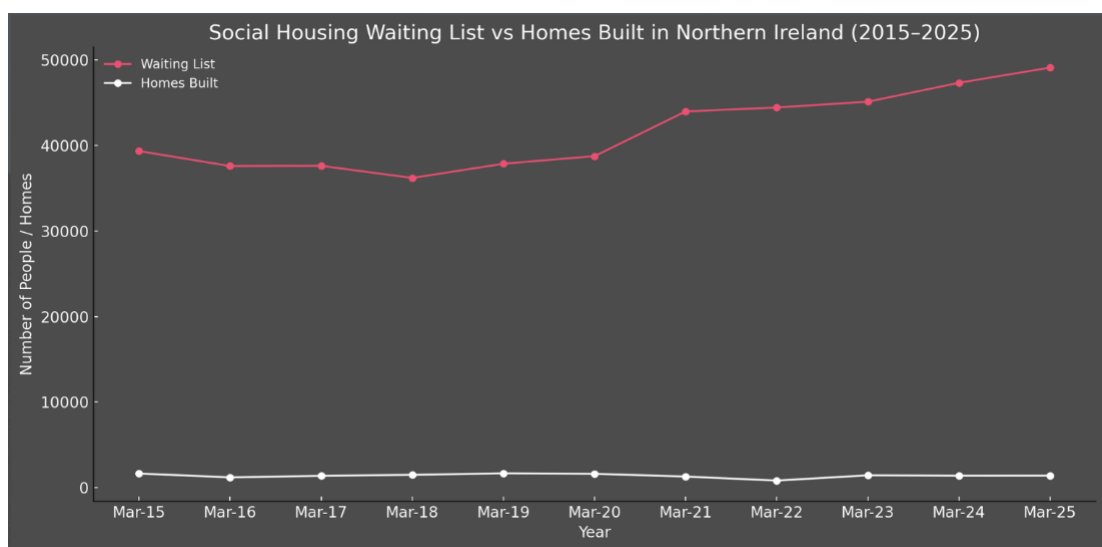
The Communities Minister recently launched a new Partnership Agreement between government and the voluntary and community sector which identifies the following as a preferred way of working: *“In line with the application of full cost recovery, recognise,*

identify, and take account of all relevant costs including direct and indirect costs”. We do not believe this way of working is being implemented when it comes to Supporting People and providers, already struggling to meet rising and more complex needs, are being left to shoulder the increasing costs of providing vital support services.

Simon Community urge the Communities Minister to continue to do all that he can to source additional funding throughout the year to mitigate the impact of increased costs and inflationary pressures on providers. The sector is under immense and growing pressure and continued underinvestment will have far-reaching negative consequences for people, communities and public services. However, we want to stress that homelessness is more than just a housing issue. It’s therefore vital that the wider Executive also step up and play their part in future monitoring rounds to ensure that vital homelessness prevention and support services continue to be available for everyone who needs them, both now and in the future.

Social Housing Development Programme

The proposed initial £63m allocation alongside the additional £9m allocated in the June Monitoring Round brings the total funding to date for new build social homes in 2025/26 to £72m. It’s estimated that this will allow for up to 1,135 new starts this year. While it is clear that the Communities Minister does view social housing as a priority, we are extremely disappointed that, once again, **the funding for social home development is entirely insufficient to meet agreed government targets and identified need.** As seen in the graph below, there is a vast and growing gap between the number of new social homes completed each year and the number of households on the waiting list.



Number of households on the social housing waiting list in NI vs number of new social homes completed over the past decade. (Source: DfC Housing Bulletins & AQW 14882/22-27)

The Northern Ireland Executive have said themselves in the Programme for Government that we need to have started at least 5,850 new build social homes by 2027. If we take into account the 1,504 new starts in 2024/25, this means we need to deliver at least 2,173 new starts both this year and next year to meet this target. **The proposed allocation is only enough to deliver around half of what is needed this year.** We are aware from an Assembly Question in June 2025 that the Communities Minister submitted a bid of £230m to the Department of Finance for social home development this year.^{xvii} Given that enhancing social and affordable housing is an agreed cross-government priority, we do not understand why the Executive chose not to meet this bid.

The severe shortage of social homes is forcing many people and families into either an expensive and insecure private rental sector or emergency temporary accommodation. The recent Northern Ireland Audit Office report found that in 2023/24, the NIHE spent £38.6 million on temporary accommodation.^{xviii} Of this, £12.2 million was spent on non-standard accommodation such as hotels and B&Bs, which is roughly £33,425 per day. This spending is unsustainable and **means that increasing amounts of public money is being directed to the private sector rather than into enhancing the supply of social and affordable homes.**

We had hoped the inclusion of housing as a priority in the Programme for Government for the first time ever would see the Northern Ireland Executive show real ambition and prioritise delivery on what is widely recognised as a human right – adequate and safe housing. Unfortunately, this does not seem to be the case and we continue to perpetuate a crisis that we know how to solve.

Again, it will be some of the most vulnerable in our society who are most adversely impacted by the inadequate supply of social housing. Families, children and young people, care leavers, pensioners, single mothers, young single males, women escaping domestic abuse, families exiting the asylum system, people living with a disability, mental health issue or addiction – all of these people will continue to be trapped in expensive and unsuitable temporary accommodation which we know has negative impacts on health and wellbeing and widens social inequalities. Every day in our services, we see people lose hope that they will find a home of their own. If we are to build a better, more equal society in which everyone can thrive, then we must make sure everyone has access to a decent and affordable home.

Simon Community therefore call on the NIE to demonstrate their commitment to tackling homelessness by prioritising securing as much additional funding as possible for new build social homes in the remaining monitoring rounds this year.

On a more positive note, we are pleased to see the proposed allocation of £48.1m in Financial Transactions Capital, of which £10m will go to the Loan to Acquire Move on

Accommodation (LAMA) scheme. Simon Community were proud to have successfully piloted this initiative through our Creating Homes scheme and look forward to working with the Department to further scale this to provide safe, secure and affordable long-term homes for people experiencing homelessness.

Conclusion

Earlier this year, Simon Community conducted a Public Perceptions Poll on homelessness in Northern Ireland to better understand public attitudes about the issue. The survey of over 1,000 individuals shows strong public appetite for action, with 72% of people believing that homelessness can be resolved with the right government action.^{xix} We agree.

We recognise the challenges facing the NIE in terms of finite resources but believe that investment in housing and homelessness support and prevention is truly an investment worth making. Comparative research from across the world shows that the cost of preventing and solving homelessness is much less than the cost of doing nothing. Ending homelessness benefits us all – it reduces costs for society, improves the lives of individuals and strengthens communities. We hope that this is recognised by the NIE in the remaining monitoring rounds this year and that additional funding is sourced for homelessness support services and social home development.

Finally, we are pleased that multi-year budgets are on the horizon for Northern Ireland and hope that this year will be the final single year budget. We believe multi-year budgets are critical to the successful delivery of the Programme for Government and would provide much-needed continuity and stability to the delivery of public services. Our current housing and homelessness crisis has developed over a long period of time (albeit skyrocketing in the last few years). Therefore, it will require a long-term response which can only truly be delivered by multi-year budgets.

For further information, please contact Cathy Brolly, Public Affairs and Policy Manager:
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- ⁱ NIHE FOI 661 – February 2025.
- ⁱⁱ Simon Community. (2024). *Under the Radar: Unveiling Hidden Homelessness across the island of Ireland*.
- ⁱⁱⁱ NIHE FOI 661 – February 2025.
- ^{iv} AQW 14882/22-27 & NIHE FOI 661.
- ^v NI Housing Executive. (2025). *Response to Department for Communities Budget 2025-26 Equality Impact Assessment*.
- ^{vi} Northern Ireland Audit Office. (2025). *Homelessness in Northern Ireland*.
- ^{vii} <https://aims.niassembly.gov.uk/questions/printquestionssummary.aspx?docid=439341>
- ^{viii} [Minister of Finance Oral Statement - 2024-25 Provisional Outturn and 2025-26 June Monitoring Round](#)
- ^{ix} Based on 15,905 homelessness presentations between April 2024 and March 2025
- ^x NI Housing Executive. (2020). *Supporting People: Strategic Needs Assessment*.
- ^{xi} NIHE FOI 661 – February 2025.
- ^{xii} NIHE FOI 661 – February 2025.
- ^{xiii} NIHE FOI 800 – July 2025.
- ^{xiv} NIHE FOI 800 – July 2025.
- ^{xv} NIHE FOI 800 – July 2025.
- ^{xvi} Department for Communities Homelessness Bulletin: Oct 2024 – Mar 2025.
- ^{xvii} <https://aims.niassembly.gov.uk/questions/printquestionssummary.aspx?docid=441835>
- ^{xviii} Northern Ireland Audit Office. (2025). *Homelessness in Northern Ireland*.
- ^{xix} Simon Community. (2025). *Public Perceptions Poll on Homelessness*.