

Simon Community response to:

**Department of Finance consultation on the Draft
Budget 2026 – 2029 / 30**

March 2026

Who is Simon Community?

Simon Community is Northern Ireland's largest homelessness charity, working to help people who are experiencing or at risk of homelessness. We are determined in our commitment to end homelessness and work across Northern Ireland offering preventative services, temporary accommodation and specialised support to help people rebuild their lives. We also amplify the voice of people impacted by homelessness and push for policy change through story-telling, campaigning and research. Our aim is not only to provide immediate assistance but also long-term solutions that end the cycle of homelessness for good.

Executive Summary

Simon Community welcome the Executive's move towards a multi-year budget, which should provide a crucial opportunity to shift from crisis response to long-term, cost-effective solutions that transform lives, strengthen communities and reduce pressure on public services. Homelessness is not inevitable and a multi-year budget underpinned by adequate and sustained investment has the potential to be truly transformational.

However, we are deeply concerned by the proposed allocations in the draft budget which we believe risk exacerbating the housing and homelessness crisis in Northern Ireland.

At a time when the number of people experiencing homelessness here continues to escalate and when the Executive have committed to tackling homelessness as a key cross-government priority, it is unacceptable to even consider potentially cutting services that help address this issue.

Simon Community urge the Finance Minister and wider Executive to relook at the proposed budget to ensure that allocations are aligned to agreed government priorities. We want to see a final multi-year budget that:

- Provides the Social Housing Development Programme with sufficient funding to not only meet targets, but actual need.
- Prioritises, not reduces or cuts, resources for homelessness prevention.
- Recognises that tackling homelessness can only be achieved through greater collaboration and co-funding across departments.
- Funds services that support people at risk of or experiencing homelessness appropriately, recognising inflationary increases in costs and increasing demand for these services.

Not doing so will go directly against agreed Executive strategies and commitments and will mean even more people without a safe place to live, more pressure on emergency services and even fewer pathways out of homelessness. In turn this will have significant knock-on effects and costs for already strained public services such as health, social care and justice. Put simply, the Executive cannot afford to not invest in tackling homelessness.

Introduction

Simon Community welcome the Executive's move towards a multi-year budget. We believe multi-year planning and funding is critical to the successful delivery of the Programme for Government and has the potential to provide much-needed transformation to the delivery of public services. Single year budgets make it extremely difficult for services to plan for the future, hinder innovation, staff recruitment and retention, and often do not deliver meaningful, lasting impact for people and communities. We cannot return to short-term funding and thinking.

However, we are deeply concerned by the proposed budget allocations in the draft budget which we believe risk exacerbating the housing and homelessness crisis in Northern Ireland. At a time when the Executive has made tackling homelessness and increasing social housing supply key cross-government priorities and when multiple reports and reviews call for a change in how we respond to homelessness, it is unacceptable to even consider potentially cutting services that help prevent and end homelessness.

In our response below, we will highlight the current context of the homelessness crisis here, the potential implications of implementing the current budget proposals and the key areas Simon Community believe we need to invest in to truly end homelessness in Northern Ireland.

Homelessness in Northern Ireland

The number of people experiencing homelessness here has increased by 120% over the past decadeⁱ, reaching 62,888 people at the end of 2025ⁱⁱ - a shocking 1 in every 31 people.ⁱⁱⁱ Around a third of people recorded as homeless are under the age of 18 – this means nearly 19,000 children and young people are growing up without the safety and stability of a permanent home.^{iv}

Yet the true number of people impacted by homelessness could be closer to 88,000 given that our research estimates there could be up to 25,000 people experiencing 'hidden homelessness', invisible to and unsupported by statutory services.^v

Our social housing waiting list has reached a record high of 91,122 people in 49,755 households.^{vi} Yet the development of social homes is nowhere near keeping pace with need, with only 1,410 new social homes completed in 2024/25 and only 862 new homes completed so far in 2025/26.^{vii} If we continue at the current rate of around 1,400 completed social homes per year, it will take us over 35 years to clear the current social housing waiting list, provided it does not increase which we all know is extremely unlikely.

The insufficient supply of social homes has meant increasing numbers of people being forced into temporary accommodation. The number of households living in temporary accommodation has increased by around 85% in the past five years and now stands at over 5,400 households as of October 2025.^{viii}

Behind these statistics are real people and families who are living with uncertainty, worry and all the negative consequences that homelessness can have for your health, wellbeing, education, employment and social networks.

The current budget proposals only risk intensifying the crisis and the challenges people facing homelessness experience. 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.

Social Housing

It's widely agreed that we need significantly more social homes in Northern Ireland and the Executive have committed to delivering this in both the Programme for Government and the Housing Supply Strategy.

The Programme for Government commits to delivering at least 5,850 new social homes by the end of the current Assembly mandate in 2027.^{ix} If we take into account the 1,504 new starts recorded in 2024/25 and the only 65 new starts recorded so far in 25/26 (between April and December 2025)^x, that means we will have to start development on 4,281 new social homes between now and May 2027 – around 250 new starts per month.

The Housing Supply Strategy commits to delivering around 33,000 social homes over fifteen years – that's around 2,200 homes per year.^{xi} We have not yet met this annual target since the Strategy was launched in 2024. If we continue at roughly the same pace of around 1,500 new social home starts per year, it would take us 22 years, not 15, to deliver the Housing Supply Strategy ambitions. We are aware that the Department for Communities hopes to start around 1,750 new starts in 2025/26 which would be welcome

but ultimately, the above information shows how far off-track we are in delivering the social homes that the whole Executive have agreed we need.

While we welcome the total earmarked funding of £441.7m for social housing^{xii}, it is not yet clear how many homes this will deliver over the four years of the capital budget. In their response to this consultation, the Chartered Institute of Housing Northern Ireland states that this *“will likely fall short of the true scale of need in the face of persistent construction cost inflation”*.^{xiii} The Department for Communities also state their concerns in the Draft Budget Equality Assessment, saying that *“insufficient funding for New Build Social Housing would in turn have a consequential impact on homelessness interventions”* and that *“any reduction in the ability to build new build social homes impacts directly the demand for temporary accommodation”*.

We agree - 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 Public Accounts Committee report on homelessness shows that the overall cost of temporary accommodation has risen from £7.6m in 2018/19 to over £40m in 2024/25.^{xiv} Of the around 5,400 households currently living in temporary accommodation here, nearly 500 are living in hotels and B&Bs^{xv} – non-standard accommodation - with around £15.5m being spent on this type of accommodation in 2024/25^{xvi}. While we completely agree with the need to accommodate people, we believe 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.

Simon Community welcome and agree with the conclusion of the Public Accounts Committee that *“the provision of an adequate supply of social housing is key to tackling homelessness in the long term”*. A house is more than just a roof over someone’s head – it is the foundation from which we build our lives and without this foundation, other Programme for Government commitments around health, education and employment will be difficult, if not impossible, to meet.

Simon Community strongly urge the Executive to ensure the final multi-year budget recognises the importance of a home and provides the Social Housing Development Programme with sufficient funding to not only meet targets, but actual need. We also encourage the Executive to make better use of public land to help drive down the costs of building new homes.

We also want to point out here the continued loss of social homes via the House Sales Scheme (Right to Buy). Around 400 Housing Executive homes are being sold at a significant discount every single year.^{xvii} This means that nearly a third of the 1,410 new social homes completed last year are immediately netted off by sales. In the context of a housing and homelessness crisis, this is unacceptable. The consultation asks about services that no longer need to be delivered or can be reduced – we would argue that the House Sales Scheme must be paused to protect much needed social housing.

Homelessness Interventions

Simon Community are extremely concerned about the impact of the proposed resource budget for the Department for Communities. In the Equality Impact Assessment, the Department for Communities highlights some extremely worrying decisions that they may be forced to take including being “*unable to adequately fund prevention and support activities to tackle homelessness or continue the Community Prevention and Support programme, or the Strategic Prevention Programme*”.

Given the repeated statements by the Communities and other Ministers about the importance of homelessness prevention, this is completely shocking to us and directly contradicts several policies and strategies agreed by the Executive. To name just a few these include:

- The Programme for Government which states that “*we will focus on preventing homelessness, making it brief, rare and non-recurrent*”.^{xviii}
- The Housing Supply Strategy which includes Prevention and Intervention as one of its’ key objectives.^{xix}
- The Housing Executive’s Ending Homelessness Strategy which includes “*prioritize homelessness prevention*” as the number one objective.^{xx}

The Northern Ireland Audit Office report on Homelessness also emphasises the importance of prevention, highlighting that progress in this area has been limited by funding challenges^{xxi}, while the recent Public Accounts Committee report also highlights that prevention work has been “*consistently underfunded, short-term and reactive in nature*” and recommends that going forward it must be prioritised as a key part of strategic delivery.^{xxii}

The current budget proposals go directly against these recommendations and risk setting Northern Ireland even further back in our efforts to tackle and prevent homelessness. We ask the Department of Finance and the wider Executive if they have assessed what the

financial implications would be if homelessness prevention work was to be cut or reduced as undoubtedly it would have significant implications for temporary accommodation costs?

From Simon Community's perspective, the Strategic Prevention programme partly funds some of our key services to prevent homelessness including:

- Our Housing Solutions service, which provides our Homeless Support Line, often the first point of contact for many people who need our help, and our Tenancy Deposit Scheme, which helps people overcome financial barriers to private renting. Last year, we provided 179 deposits via this scheme, ending homelessness for 106 households and preventing it for a further 73 households. The Housing Solutions service also provides over 120 housing clinics in our temporary accommodation services every year, providing people with support and guidance to take their next steps towards a more stable home.
- Our Housing First for Youth service, which provides a safety net for many young people leaving care, providing a home and 24/7 wraparound support to young people who might otherwise become homeless.

Any loss or reduction of these services would have devastating consequences for the people we support.

These proposals also put at risk the Homelessness Prevention Fund which Simon Community are in the process of applying for 2026/27 funding to continue our successful Step In and Set Up pilot. This project provides support to individuals leaving temporary accommodation services to sustain their tenancies and prevent further episodes of homelessness. Since this project started in September 2025, we have supported over 30 people to settle into new homes following temporary accommodation and provided help with accessing benefits, healthcare, education and employment. This pilot is showing very positive results in terms of tenancy sustainment, repeat homelessness prevention, mental health improvement and substance management and we hope to continue this to support even more people into safe and stable homes. A cut or end to the Homelessness Prevention Fund would put this project, which is preventing repeat homelessness, at risk.

Simon Community acknowledge the funding challenges facing the Department for Communities and how this is hindering much-needed ringfenced investment in homelessness prevention efforts. We believe tackling homelessness can never be the responsibility of just one department and this is why we have been calling for greater collaboration and collective responsibility across Government. Our recent research on

Childhood Adversity and Homelessness shows that 66% of single adults living in temporary accommodation have experienced significant childhood trauma and 21% have been in the care system.^{xxiii} This shows that homelessness is significantly linked to health and adversity, yet it is funded almost exclusively as a housing issue. We therefore ask that the Executive consider how all departments can protect investment in homelessness prevention, potentially through pooling resources into a ring-fenced homelessness prevention funding pot.

Finally, we want to highlight that the amount of funding allocated to homelessness prevention work is very modest in comparison to funding for crisis response and temporary accommodation. As highlighted in the NI Audit Office report, less than 10% of Housing Executive spending is directed towards prevention and early intervention work each year.^{xxiv} According to the Audit Office report, £5.5m was spent on prevention in 2023/24. Yet we know that double this amount (£12.2m) was spent on non-standard temporary accommodation during this time.^{xxv} We ask the Department of Finance and the wider Executive if they truly believe that cutting funding for prevention (which in the long-run would reduce temporary accommodation costs) will truly deliver value for money?

As well as saving money, prevention saves people from the trauma of homelessness and improves long-term outcomes for people and families. Multi-year budgets should be the time we invest in this work, not reduce or eliminate it.

Supporting People

The Supporting People Programme grant-funds housing-related support to help 20,000 vulnerable individuals and families, including those experiencing homelessness, live independently across Northern Ireland. It is a vital pot of funding that supports Simon Community's work with nearly 500 people every night across our more than 20 accommodation services. It is therefore extremely disappointing to see this funding again at risk in the proposed multi-year budget consultation. In the Equality Impact Assessment, the Department for Communities warn that the current proposed funding means *"providers will not be able to meet their inflationary cost uplifts"* which *"would call into question the viability of some Supporting People schemes"*. They say that this *"would increase homeless presentations and would also have knock-on costs for the Health and Justice sectors"*. We agree with this and with the Communities Committee assertion in their recent report on homelessness and the Supporting People programme that *"the homelessness sector is facing a "perfect storm" of rising demand, increased complexity of service user needs, and a funding model that is in danger of collapse in real terms"*.^{xxvi} This

is clearly highlighted by the fact that in one week at the end of November 2025, Simon Community received 648 requests for support but had only 13 free beds available.

In previous consultation responses, Simon Community have consistently highlighted that one of the biggest challenges in delivering the Supporting People programme is insufficient funding. Funding for this programme has failed to keep pace with inflationary increases over the past few years, resulting in real-terms cuts for providers. While Simon Community have remained fully committed to ensuring that all our services continue to be delivered safely to those who need them most, the constrained Supporting People budget is making it increasingly difficult to sustainably maintain this commitment.

At the start of this financial year, Simon Community estimated that we would need to source around an additional £300,000 to ‘top-up’ Supporting People funding and ensure our services remained sustainable in 25/26. This meant that, throughout the year, we had to use charitable funds donated by the public to essentially deliver a statutory duty as outlined in the Housing (NI) Order 1988 – the provision of accommodation and assistance to people experiencing homelessness. In December 2025, we received a welcome one-off Supporting People payment of approximately £308,000 which helped to cover the shortfall in 25/26. However, the challenge remains that this is not a recurrent payment, hindering our ability to sustainably plan for the future.

For 26/27, we estimate the shortfall in Supporting People funding for our services to be significantly higher at around £700,000, largely due to increased staff costs driven by the National Minimum Wage increasing by 4.1% from April 2026 and the linked increases in National Insurance. If we assume a continued 3% annual inflationary increase in costs and a frozen Supporting People budget, we estimate the shortfall to rise to around £900,000 in 2027/28 and around £1.1m in 2028/29. This means that we will have to source and use fundraised income from the public to subsidise the Supporting People programme, which calls into question the sustainability of some of our services and hinders our ability to show innovation in responding to homelessness and invest in:

- Enhanced homelessness prevention support such as financial assistance with deposits etc.
- Services such as counselling and wellbeing services that directly address the deeper issues that keep people trapped in a cycle of homelessness: poor mental health, unresolved trauma and addiction.
- Increased move-on options to help end homelessness such as our Creating Homes scheme.

Insufficient Supporting People funding may require us to also explore alternative funding sources for our services which could require a remodelling of services. This could result in a potential loss of bed spaces or an increased cost to the Housing Executive to use these beds as temporary accommodation.

Like other providers, Simon Community have 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. Our recent report on Childhood Adversity and Homelessness in Northern Ireland shows that 74% of people in single adult homelessness services have a diagnosed mental health condition and nearly a third report having a learning disability.^{xxvii} 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.

The current proposed funding presents 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.

We urge the Executive to relook at the proposed budget for the Department of Communities and ensure that funding for the Supporting People programme is sufficient to not only meet inflationary costs and maintain existing provision, but to also enable enhancement and innovation in service delivery—reflecting the “invest to save” principle that underpins the Supporting People programme. Ultimately, we believe that appropriate investment will safeguard essential services, prevent future costs to the public purse, and improve outcomes for vulnerable individuals.

Conclusion

A multi-year budget should provide a crucial opportunity to shift from crisis response to long-term, cost-effective solutions that transform lives, strengthen communities and reduce pressure on public services. Unfortunately, the current proposed allocations risk us continuing to perpetuate a crisis that we know how to solve and it will be some of the most vulnerable in our society who are most adversely impacted. 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. But it does not have to be this way – homelessness is not inevitable. A multi-year budget underpinned by adequate and sustained investment has the potential to be truly transformational. We urge the Finance Minister and wider Executive to relook at the proposed budget to ensure that allocations are aligned to agreed government priorities to build more social homes, prioritise homelessness prevention efforts and protect Supporting People services. If this does not happen, the homelessness crisis will only escalate further.

For further information, please contact Cathy Brolly, Public Affairs & Policy Manager at cathybrolly@simoncommunity.org

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- ⁱ Based on NIHE FOIs on number of people with Full Duty Applicant status.
- ⁱⁱ NI Housing Executive FOI 1061. (27 February 2026)
- ⁱⁱⁱ Based on NISRA mid-year population estimate of 1,927,900 as of 30 June 2024.
- ^{iv} NI Housing Executive FOI 1061. (27 February 2026)
- ^v Simon Community & Simon Communities of Ireland. (2024). *Under the Radar: Unveiling Hidden Homelessness across the island of Ireland*.
- ^{vi} NI Housing Executive FOI 1061. (27 February 2026) and DfC NI Housing Bulletin Oct – Dec 2025.
- ^{vii} DfC NI Housing Bulletin Oct – Dec 2025.
- ^{viii} DfC Homelessness Bulletin Apr – Sept 2025.
- ^{ix} NI Executive. (2025). *Our Plan: Doing What Matters Most, Programme for Government 2024 – 2027*.
- ^x DfC NI Housing Bulletin Oct – Dec 2025.
- ^{xi} NI Executive. (2024). *Housing Supply Strategy: A Home for Everyone 2024 – 2039*.
- ^{xii} Minister of Finance Oral Statement to the Assembly on Proposals for a Draft Budget 2026 – 29/30. (12 January 2026).
- ^{xiii} Chartered Institute of Housing NI: Response to the Department of Finance’s consultation on the draft budget 2026 – 2029/30 (23 Feb 2026).
- ^{xiv} NI Assembly Public Accounts Committee. (2026). *Report on Homelessness in Northern Ireland*.
- ^{xv} NI Housing Executive FOI 1061. (27 February 2026)
- ^{xvi} NI Housing Executive FOI 869. (20 August 2025)
- ^{xvii} NI Housing Executive FOI 797. (23 June 2025).
- ^{xviii} NI Executive. (2025). *Our Plan: Doing What Matters Most, Programme for Government 2024 – 2027*.
- ^{xix} NI Executive. (2024). *Housing Supply Strategy: A Home for Everyone 2024 – 2039*.
- ^{xx} NI Housing Executive: *Ending Homelessness Together Strategy 2022 – 2027*.
- ^{xxi} NI Audit Office. (2025). *Homelessness in Northern Ireland*.
- ^{xxii} NI Assembly Public Accounts Committee. (2026). *Report on Homelessness in Northern Ireland*.
- ^{xxiii} Simon Community. (2025). *Childhood Adversity and Homelessness in Northern Ireland*.
- ^{xxiv} NI Audit Office. (2025). *Homelessness in Northern Ireland*.
- ^{xxv} NI Housing Executive FOI 517. (11 October 2024)
- ^{xxvi} NI Assembly Committee for Communities. (2026). *Report on Homelessness and the Supporting People Programme*.
- ^{xxvii} Simon Community. (2025). *Childhood Adversity and Homelessness in Northern Ireland*.