



# Submission

## Consultation on Department for Communities Budget 2023-24 Allocations

June 2023

[homelessconnect.org](https://homelessconnect.org)

## Homeless Connect Response to Consultation on the Department for Communities Budget 2023-24 Allocations

### Introduction

1. Homeless Connect has been working to prevent and alleviate homelessness in Northern Ireland since 1983. As a membership body, we represent organisations working with people experiencing homelessness or at risk of becoming homeless and provide direct support to service users through our projects.<sup>1</sup>

2. At the outset we want to make clear our deep concern regarding the budget allocation given to the Department for Communities (hereafter DfC) for 2023/4. It is our view that the budget proposed is insufficient for the needs facing DfC and will, if it is implemented, have a regressive impact on many of the most vulnerable people living in this society. We will continue to make the case for additional funding for DfC to mitigate the impact of the budget allocation.

3. However, we accept that DfC legally must consider how to implement the budget allocation it has been given. In our estimation, DfC has been placed in an impossible situation. In this response, we will focus on the impact of the proposed budget for 2023/4 on people who are at risk of or experiencing homelessness and the wider sector seeking to support them. In the midst of a housing and homelessness crisis, with record high numbers of households with homelessness status, it would be completely illogical to cut resources to the Northern Ireland Housing Executive (hereafter NIHE) and to the Supporting People Programme (hereafter SPP). Taking this path will make an already challenging situation even worse. It is highly likely to have the effect of seeing more people fall over the edge into homelessness with all of the consequences this can have for them and for this society as a whole. We urge DfC to do everything in its power to ensure resources are not diverted away from homelessness services.

### Question 1

Are there any data, needs or issues in relation to any of the Section 75 equality categories that have not been identified in Section 6 of the EQIA consultation document? If so, what are they and can you provide details?

The list of research outlined in the Audit of Inequalities is a comprehensive one which captures much of the research on in/equalities in NI. We would point to two additional reports which have been published since the Audit was completed:

- a. Homeless Connect's Staffing Challenges within the Homelessness Sector research published in September 2022.<sup>2</sup> This research includes survey evidence from 205 staff working in the homelessness sector in 2022. The survey highlights that the sector is predominantly female, with 68% of respondents stating that their gender was female compared to 30% stating that their gender was male. Additionally, in terms of background, the majority of respondents indicated that they came from a Catholic background (56.6%). 24.9% stated that they came from a Protestant background while 8.3% identified as other while 10.2% did not answer this question.<sup>3</sup> If this survey is representative of the wider homelessness sector in Northern Ireland, and we have no reason to doubt its

representativeness, it would indicate that any cuts which fall on the sector would have a particularly negative impact on two section 75 categories: women and people from a Catholic background.

- b. Experiences of Youth Homelessness. This research, produced on behalf of NIHE, highlights the negative impacts of homelessness on young people. The research provides valuable data on the impact of youth homelessness, including additional insights around a number of section 75 categories which intersect with age.<sup>4</sup>

## Question 2

Are there any adverse impacts in relation to any of the Section 75 equality groups that have not been identified in section 7 of the EQIA Consultation document? If so, what are they?

4. See our comments in response to Q1.

## Question 3

Please state what action you think could be taken to reduce or eliminate any adverse impacts in allocation of the Department's budget.

5. We note that the Impact Assessment indicates that the Department proposes the following: "The Department's 11 ALBs [Arms Length Bodies] provide services and support to a range of sectors including Housing, Arts, Libraries, Museums and Sports. Funding will have to be curtailed by reducing the 2022-3 baseline position by 5%."<sup>5</sup> As we have stated above, ideally there would not need to be cuts and ALBs would not have to compete against one another for resources. However, we believe it is important to point out that the areas of work of the eleven ALBs and the wider work of the Department do not all address questions of fundamental human rights. Consequently, we question the wisdom of adopting a blanket approach of simply cutting the budgets of all ALBs by 5% regardless of the areas of work they are focused on.

6. The right to housing is a fundamental human right which can be found in several international human rights instruments which the United Kingdom has ratified.<sup>6</sup> For example, Article 25 of the Universal Declaration on Human Rights states the following: "Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control."<sup>7</sup> Adequate housing is a prerequisite of being able to uphold other rights and being able to participate in society. A lack of adequate housing can have deeply detrimental impacts on a person's physical and mental health, economic prospects and wellbeing.<sup>8</sup> It is incumbent on the Northern Ireland Executive collectively and DfC specifically to uphold the fundamental human right to adequate housing.

7. NIHE is the body which is legally responsible for responding to homelessness in Northern Ireland. Under the Housing (NI) Order 1988, it has a legal duty to provide accommodation to households who are legally assessed to be homeless or threatened with homelessness. This includes a duty to provide temporary accommodation while the Housing Executive are investigating whether a household presenting qualifies as homeless. Since the advent of Covid-19, NIHE has been placed under enormous

pressure in terms of its provision of temporary accommodation. While the number of presentations and acceptances of households as homeless has remained stable in recent years, the number of households needing temporary accommodation has exploded, rising by 91% since January 2019 from 2,065 to 3,945 households in January 2023.<sup>9</sup> The huge rise in the number of households needing temporary accommodation has placed considerable financial strain on NIHE. In 2021/2, NIHE spent £17 million on provision of temporary accommodation compared to £7.5 million in 2019/20.<sup>10</sup> The numbers in temporary accommodation have continued to rise so in all likelihood the cost recorded in 2022/3 may have been even higher than the year before.

8. In addition to the challenges with temporary accommodation, there has been an alarming increase in the number of households on the social housing waiting list with homelessness status. In March 2013, the social housing waiting list stood at 41,356 households.<sup>11</sup> 9,878 of those households were deemed to have homelessness status (i.e. are full duty applicants under the Housing (NI) Order), 24% of the total.<sup>12</sup> A decade on, the social housing waiting list stands at 44,519 households.<sup>13</sup> However, the number of households with homelessness status has risen to 25,613 households, 57.5% of the total.<sup>14</sup> So while the number of households on the list has only grown by 3,163 (7.6%) in the last decade, the number of households with homelessness status on the list has grown by 15,735 (159%). The level of need amongst those who are on the list has evidently sharply increased over the last decade.

9. These statistics make it starkly evident that if anything NIHE needs additional resources if this society is to have any chance of reducing the number of households in temporary accommodation and those with homelessness status on the social housing waiting list. In 2022, the NIHE published a progressive blueprint for responding to homelessness in the 2022-2027 Homelessness Strategy. At a foundational level, this strategy seeks a shift from a reactive model of responding to homelessness after it happens to seeking to prevent it upstream. This vital strategic shift will prove impossible to achieve without adequate resources being provided to NIHE, which will ultimately lead to additional cost in both human and financial terms.

10. NIHE legally must fulfil the statutory duty to provide temporary accommodation to qualifying households if they need it. Funding for other aims and objectives, no matter how vital or desirable they may be, will come second. Where there are budget pressures, resources which could be used to prevent homelessness and to implement the homelessness strategy will be diverted away for use in the provision of temporary accommodation. Rents in the Private Rented Sector (PRS) have been rising rapidly, with Northern Ireland recording a 9.9% rise in rents between March 2022 and March 2023.<sup>15</sup> This is almost twice the rate of increase in the other three jurisdictions in the United Kingdom. As provision of single lets is a core part of the temporary accommodation portfolio for NIHE, it is likely that they will see costs rise even further putting even more pressure on their budgets.<sup>16</sup> In addition, the rapid rise in rental costs may lead to more households falling in to arrears and losing their tenancies. There has already been some evidence of this happening in recently published homelessness figures. In 2022, 2,826 households presented to NIHE as homeless following the loss of private rented accommodation. This was a 23.4% increase on the year before. These factors will ultimately negatively impact on households at risk of homelessness and seems likely to cost more to the NI Executive in the longer term.

11. On top of this proposed 5% cut to the baseline resource budget for NIHE, there is the additional proposed cut to the capital budget for social housing. With the context in mind that there are over 25,000 households on the social housing waiting list with homelessness status, it should be a top level priority of

the NI Executive to see more social housing built. It is obvious that without an adequate supply of affordable homes in the right places, it is impossible to prevent and reduce homelessness. The cut outlined in the EIA from 2,000 social housing starts to 1,400 starts will have the impact of extending the ongoing housing crisis, with the social housing waiting list continuing to grow and more and more households with homelessness status being forced to wait longer for access to housing.

12. An additional challenge which will particularly impact on temporary accommodation providers here will also flow from this reduction. Unfortunately, it is becoming increasingly common for households to find themselves having to live in temporary accommodation for several months and in some cases years due to a lack of appropriate move on accommodation. This can have damaging effects on the health and wellbeing of the household impacted, who have to live with the uncertainty of not knowing where they are going to be living. It can also see places in temporary accommodation taken by households who have low or no support needs which prevents other households who may benefit from such support being unable to access it. Unfortunately, the pressure on the homelessness system is such that some of these households with complex needs can find themselves offered inappropriate placements in non-standard B&B accommodation which is not suitable for their needs. Any reduction in the number of social homes being built will only exacerbate this problem and heap more pressure on the system to the detriment of people at risk of or experiencing homelessness.

13. As the Department will be aware, there are a wide range of impacts for several section 75 categories which arise from a lengthening social housing waiting list. The consultation document rightly points to the Equality Impact Assessment for the Draft Housing Supply Strategy and highlights the differential between Catholic households and other households in terms of waiting times for social housing. It should be noted that the Equality Impact Assessment also highlights other differentials impacting on age; ethnicity and race; gender; disability; and marital status.<sup>17</sup>

14. It is with this context in mind that we question the decision to cut the budget of the Housing Executive by 5% from the 2022/23 baseline. This should not be taken as Homeless Connect suggesting that the work of the other ALBs or programmes funded by the Department are not important: without question they play an invaluable role in this society. Indeed, the work of many of the ALBs and DfC funded programmes is beneficial to those at risk of or experiencing homelessness. However, in some cases, they do not play a central role in upholding a fundamental human right for households in Northern Ireland. Indeed, you cannot benefit from the vital work of some of the ALBs or other DfC funded programmes if you do not have an appropriate home to live in. Consequently, we would submit that the DfC should reassess whether it is appropriate to simply impose a blanket five percent cut across all of the ALBs. In our estimation, the evidence is clear that it should be a priority for the Department to protect the budget of NIHE. Ideally, this would be through increased resources being allocated to the Department as a whole. However, if no further resources are forthcoming, we would submit that the Department reconsider the approach outlined in the EIA.

15. We are gravely concerned about the proposed cut to Discretionary Support (DS) grants. As the Department will be aware, these grants can serve as an invaluable lifeline to households who may be on the edge of homelessness. With so many struggling to make ends meet, this cut will be hugely damaging to many of the poorest households living here. We would submit that this cut runs against the strategic shift we need to see towards preventing homelessness before it happens rather than reacting to it after

the fact. It may in practice prove far more costly to fail to provide a grant or loan than to do so if it leads to destitution or homelessness. We would urge reconsideration of this proposal.

16. We read with dismay the following paragraph in the Equality Impact Assessment document: “In addition to the pressures faced, new bids totalling over £375 million were included within the Department’s 2023-4 Resource requirements. This included the funding required to progress Ministerial priorities such as new Welfare Mitigations, a Supporting People provider uplift, and replacement European Social Fund support. No funding was allocated within the 2023-24 Budget settlement against those bids.”<sup>18</sup> Once again, the needs of SP providers have been overlooked in the budget allocation.

17. A substantial proportion of the SPP budget- around 38%- goes towards funding homelessness services in Northern Ireland.<sup>19</sup> Before 2022/3, the budget for the SPP had been frozen at the same level as it had been in 2007. For fifteen years, year on year, the value of the fund had been eroded by inflation. While other comparable sectors (such as Health and Social Care) saw budget rises, SP funding stagnated. Many providers in the homelessness sector were unable to increase salaries or improve terms and conditions due to a lack of resources while other sectors of the economy were able to improve terms and conditions for staff. Understandably, some staff left the sector knowing that they could attain better pay and conditions in other similar areas of employment. This has contributed to an ongoing recruitment and retention crisis with several organisations struggling to fill staff rotas.

18. Homeless Connect research published in 2022 spelt out in detail the major impact this ongoing crisis is having for staff and services in the homelessness sector. The research found a workforce deeply committed to making a difference in people’s lives but with real and growing concerns over pay and high levels of stress. In a survey of 205 respondents working in the sector, only 72.2% of respondents indicated that they planned to continue working in the sector while 73.2% of respondents were dissatisfied with the level of pay they were receiving.<sup>20</sup> Organisations, the vast majority of them funded through the SPP, want to improve pay and terms of conditions but find themselves unable to do so due to the constrained SPP budget.

19. Warm words of praise for the work of providers have not been accompanied with the resources needed to run services effectively. While it is the case that in 2022/3 there was a much-welcomed uplift of 5.8% to the value of the programme, it should be stated that this was below the level of inflation even in that year. It does not make up for fifteen years of the programme not receiving any uplift. Following the announcement of the uplift in 2022/3, our CEO stated the following: “This uplift is incredibly welcome, but at the same time the reality is that even with this increase, funding is not where it should be had inflationary uplifts been granted over the past fifteen years. In future, SP funding should keep up with inflationary increases. Let us learn from the past and not make the same mistakes.”<sup>21</sup> This budget allocation looks like a continuation of past approaches which will lead to the mistakes of the past being repeated in the future.

20. There is clear evidence of a multiplier effect in terms of social value for every pound spent on SP services, with a report published in 2021 finding the following: “The Supporting People Programme over the two-and-a-half-year period 2018 to the first two quarters of 2020/21 generated a social value of £1: £5.71. This is based on a Total Present Value of £1,038,786,036.30 created against the input of £182,000,000.”<sup>22</sup> Yet despite this remarkable return, resources have not increased in line with inflation,

reducing the potential impact that the programme could have. Now there is the additional possibility of a cut coming to the SPP.

21. We note that in contrast to some other areas, the Equality Impact Assessment provides no detail on the extent of cuts which the Department envisages for the SPP other than to say that any cut would have a disproportionate impact on some section 75 groups. We could not see the rationale behind why the SPP has been differentially treated from other areas of the DfC budget in the Equality Impact Assessment. For example, considerable detail is given on cuts to the Discretionary Support Grants and the impact of a reduction in capital funding. In contrast, the section on SPP is vague and fails to capture the wide-ranging impact on individuals within a range of section 75 categories who are being supported through the SPP. A considerable amount of data is collected by NIHE on individuals living in temporary accommodation according to section 75 category- this is evident from the Equality Impact Assessment conducted on the draft Housing Supply Strategy. The homelessness sector funded through the SPP supports individuals who have often experienced multiple disadvantages which can arise from characteristics set out in section 75. Before taking any action, we would expect DfC to conduct a thorough investigation of the wide ranging and negative impacts which would emerge on a variety of section 75 groups if any reduction to the SPP was imposed.

22. Our member organisations who are funded through the SPP have told us that any cut to what they receive from the programme would have a deeply damaging impact on those they work with and their own services. In some cases, it could lead to service reductions, job losses or even consideration of service closures. If this was to happen, the impact would cascade down throughout the housing and homelessness system placing more pressure on other agencies in both the immediate and long-term. The challenges around the recruitment and retention of staff will worsen further with all of the consequences this can have for the quality of service provision. As the Supporting People Strategic Needs Assessment published in 2021 made clear, a 14% gap already existed between the level of need out there and the supply of support available.<sup>23</sup> This situation has only worsened since the Strategic Needs Assessment was published with the advent of the cost of living crisis.

23. We are also cognisant of the wider budgetary picture across the NI Executive as a whole. Cuts to the budgets of other Executive departments will undoubtedly have consequences for SPP providers. A few examples include: longer waiting lists for health services such as mental health and addiction support; further delays in the courts and lack of rehabilitation services in prisons; impacts on asylum and refugee services; and difficulties with infrastructure slowing down house building. The challenges facing other Departments will spill over to impact homelessness services. It is often homelessness services that are left picking up the pieces from wider societal problems as the final backstop for people with no other options. The fear is that on this occasion services in the sector may not be able to provide the support which is needed due to a lack of resources.

24. It is abundantly evident that any cut to the value of the SPP should be avoided. In the midst of a cost of living crisis with high and increasing numbers in temporary accommodation and growing social housing lists the possibility of a cut to the SPP fund should not even be countenanced as a possibility. The costs of taking this step would fall on those who are least able to afford it rather than those with the widest shoulders. We implore DfC to explore every alternative option before taking this misguided approach.

**Mark Baillie | Policy and Public Affairs Manager | [mark.baillie@homelessconnect.org](mailto:mark.baillie@homelessconnect.org) | 028 90246440**

## References

- <sup>1</sup> 'Homeless Connect' is a registered charity in Northern Ireland (charity number 103325)
- <sup>2</sup> Dr Karen Orr and Dr Leeanne O'Hara, Staffing Challenges within the Homelessness Sector, 27 September 2022, <https://homelessconnect.org/wp-content/uploads/2023/04/HOMELESS-CONNECT-STAFFING-RESEARCH-REPORT-SEPT-22.pdf>
- <sup>3</sup> Orr and O'Hara, Staffing Challenges, 18.
- <sup>4</sup> Fiona Boyle and Professor Nicholas Pleace, "Experiences of Youth Homelessness," Northern Ireland Housing Executive, October 2021, <https://www.nihe.gov.uk/getattachment/624fb425-3f12-424e-8b6f-bce3c0dc5400/Experiences-of-Youth-Homelessness.pdf>
- <sup>5</sup> Department for Communities, "Budget 2023-24: Equality Impact Assessment," 10 May 2023, <https://www.communities-ni.gov.uk/sites/default/files/consultations/communities/dfc-budget-2023-24-egia.pdf> 20.
- <sup>6</sup> For a comprehensive account of the range of human rights instruments which enshrine the human right to housing, see United Nations Office of Human Rights, "International Standards: Special Rapporteur on the right to adequate housing," accessed 15 May 2023, <https://www.ohchr.org/en/special-procedures/sr-housing/international-standards>
- <sup>7</sup> United Nations, "Universal Declaration of Human Rights," Article 25, 10 November 1948, accessed 15 May 2023, <https://www.un.org/en/about-us/universal-declaration-of-human-rights>
- <sup>8</sup> For a comprehensive summary of the impact of homelessness on households, see Nicolas Pleace, "Preventing Homelessness: A Review of the International Evidence", (Dublin: Simon Communities of Ireland, 2019) 14-25. [https://www.researchgate.net/profile/Nicholas-Pleace/publication/332684261\\_Preventing\\_Homelessness\\_A\\_Review\\_of\\_the\\_International\\_Evidence/links/5cc323e0299bf12097827bde/Preventing-Homelessness-A-Review-of-the-International-Evidence.pdf](https://www.researchgate.net/profile/Nicholas-Pleace/publication/332684261_Preventing_Homelessness_A_Review_of_the_International_Evidence/links/5cc323e0299bf12097827bde/Preventing-Homelessness-A-Review-of-the-International-Evidence.pdf)
- <sup>9</sup> Department for Communities, "Northern Ireland Homelessness Bulletin July-December 2022," 9 March, 2023, Table 3.5 <https://www.communities-ni.gov.uk/system/files/publications/communities/ni-homelessness-bulletin-jul-dec-2022-tables.ods>
- <sup>10</sup> See Northern Ireland Housing Executive, "Annual Report 2021/2", September 2022, <https://www.nihe.gov.uk/getattachment/17f5772b-f048-48aa-b3ea-8fd5de6b7fb1/Annual-Report-2021-22.pdf> 43 and Northern Ireland Housing Executive, "Annual Report 2019/20," October 2020, [https://www.nihe.gov.uk/getattachment/2c78e7aa-38f9-48df-9e58-d30805e5225b/2019\\_2020-annual-report.pdf](https://www.nihe.gov.uk/getattachment/2c78e7aa-38f9-48df-9e58-d30805e5225b/2019_2020-annual-report.pdf) 50.
- <sup>11</sup> See Northern Ireland Housing Executive, "Housing Myths and Migrants," October 2015, [https://niopa.qub.ac.uk/bitstream/NL-OPA/6806/1/housing\\_myths\\_and\\_migrants\\_updated.pdf](https://niopa.qub.ac.uk/bitstream/NL-OPA/6806/1/housing_myths_and_migrants_updated.pdf), 4
- <sup>12</sup> Housing Executive, "Housing Myths," 4.
- <sup>13</sup> Department for Communities, "Northern Ireland Housing Bulletin October-December 2022," 23 February 2023, <https://www.communities-ni.gov.uk/system/files/publications/communities/ni-housing-bulletin-oct-dec22.pdf> 1.
- <sup>14</sup> Figures available on request from NIHE.
- <sup>15</sup> Office for National Statistics, "Index of Private Housing Rental Prices, UK: March 2023," <https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/indexofprivatehousingrentalprices/march2023> accessed 31 May 2023.
- <sup>16</sup> In 2022, NIHE made 1,769 placements in to private single lets and a further 2,358 placements in to leased property. See Department for Communities, "July-December 2022", Table 3.2
- <sup>17</sup> Department for Communities, "Housing Supply Strategy (HSS) Draft Equality Impact Assessment Consultation Document," November 2021, <https://www.communities-ni.gov.uk/sites/default/files/consultations/communities/dfc-draft-egia.pdf>.
- <sup>18</sup> Department for Communities, "Budget 2023/4", 13.
- <sup>19</sup> Northern Ireland Housing Executive, "Supporting People Annual Report 2021-2," 12 July 2022, <https://www.nihe.gov.uk/getattachment/8d410728-3612-43e0-97f6-590412b08264/Supporting-People-Annual-Report.pdf> 5
- <sup>20</sup> Orr and O'Hara, Staffing Challenges, 26.
- <sup>21</sup> Homeless Connect, "Boost to Supporting People Programme budget welcomed by homelessness services," 23 December, 2022, <https://homelessconnect.org/boost-to-supporting-people-programme-budget-welcomed-by-homelessness-services/>



---

<sup>22</sup> S3 Solutions, "Social Return on Investment Study Supporting People Programme," *Housing Executive*, June 2021, [Social Return on Investment Study \(nihe.gov.uk\)](#) 51.

<sup>23</sup> Northern Ireland Housing Executive, "Supporting People Three Year Strategic Plan and Covid-19 Recovery Plan 2022-2025", <https://www.nihe.gov.uk/getattachment/a0e7c160-c22c-4786-b7ee-9299c22b4d44/Supporting-People-Strategic-and-Covid-19-Recovery-Plan-2022-2025.pdf> 11.



**Homeless Connect**

Units 2-4 | Building 14 | Central Park  
Mallusk Road | BT36 4FS

**[homelessconnect.org](https://homelessconnect.org)**