



Submission

Draft Budget
2026-2029/30

March 2026

homelessconnect.org

Homeless Connect Response to the Consultation on the Draft Budget 2026–2029/30

Executive Summary

1. Homeless Connect welcomes the NI Executive’s move towards a multiyear budgetary framework and has consistently argued that multiyear budgets are essential for effective planning, efficient use of public funds and the delivery of sustainable outcomes in the homelessness sector. However, while the framework is welcome in principle, **the Draft Budget 2026–2029/30, as currently proposed, risks worsening homelessness pressures unless it is underpinned by sufficient and sustained investment including realistic capital provision and adequate non-ringfenced resource DEL for frontline services.** This warning is reinforced by the recently published Communities Committee and Public Accounts Committee reports on homelessness highlighting that the sector is facing a “perfect storm” of rising demand, increased complexity of need and real-terms funding erosion, with 62,314 people officially recorded as homeless by September 2025 and ongoing dependence on costly temporary accommodation.¹
2. The submission sets out clear evidence of a deepening homelessness crisis in Northern Ireland. Over the past decade, the number of households with homelessness status on the social housing waiting list has more than doubled and now represents a majority of applicants. At the same time, reliance on temporary accommodation has increased sharply, with a significant and growing number of children living in such accommodation. These trends carry severe human consequences and place escalating pressure on public services, including health, education and justice.
3. Against this backdrop, **Homeless Connect has significant concerns about both the capital and resource elements of the Draft Budget.** On capital funding, the proposed allocations appear to be insufficient to meet the social housing targets set out in the Housing Supply Strategy and the Programme for Government. Continued under delivery of social housing new starts will increase demand for temporary accommodation and undermine efforts to prevent homelessness. While additional funding streams such as Reinvestment and Reform Initiative funding and Financial Transactions Capital are welcome, the Department for Communities has made clear that the Draft Budget would still fall short of enabling delivery against agreed targets.

4. On the resource side, significant shortfalls in the Department for Communities' non-ringfenced resource budget threaten the Department's ability to maintain existing service levels, let alone respond to rising need. The Equality Impact Assessment indicates that, without additional funding, the Department would face severe constraints including reductions to core services. This poses particular risks for homelessness interventions, prevention programmes and Supporting People services, all of which are central to managing demand and preventing further system pressures.

5. **The Draft Budget also risks undermining the strategic shift towards homelessness prevention that the NI Executive has repeatedly endorsed;** both the Communities and Public Accounts Committees found that prevention has been underfunded, short-term and reactive in nature, driving higher expenditure on crisis responses such as hotels and B&Bs.² Funding uncertainty or reductions affecting prevention programmes would be counterproductive, increasing homelessness presentations and placing greater strain on temporary accommodation and crisis responses. The submission highlights the strong evidence base for preventative approaches, including Housing First for people experiencing chronic homelessness, and makes the case for sustained investment and cross departmental funding where homelessness prevention delivers benefits across health, education and justice.

6. **Homeless Connect urges the NI Executive to use the Draft Budget process to make different choices:** to commit to a fully funded multiyear budget; to ensure that social housing supply targets are realistically achievable; to protect and strengthen homelessness prevention and Supporting People services; and to align spending decisions with the NI Executive's stated commitment to preventing homelessness and protecting the most vulnerable. Without such action, pressures on the homelessness system will continue to intensify, with significant social and fiscal consequences across NI.

Introduction

1. Homeless Connect has worked to prevent and alleviate homelessness in Northern Ireland since 1983. As an umbrella body, we represent over forty organisations across the independent homelessness sector. We also support people with lived experience of homelessness to have their voices heard. In addition, we provide services that directly benefit people and communities, helping to prevent homelessness and distributing surplus nutritious food to charities and other not-for-profit groups. This response has been informed by input from our Policy Forum, which is made up of representatives of our member organisations. We are grateful to them for their insights and the time they have taken to engage in this process.

2. **We strongly welcome the move towards a multi-year budgetary framework**, which we consider essential for effective planning and service delivery. Homeless Connect has long advocated for the introduction of multi-year budgets, a position set out clearly in our manifesto for the 2022 Assembly Election: “Single-year budgets make it very difficult to plan and can lead to inefficient spending of scarce resources. The homelessness sector needs a diversity of funding streams from a variety of Executive Departments which are commissioned and funded on a multi-year basis.”³ We also agree with the Minister of Finance’s assessment that a multi-year budget would provide “the certainty needed for long-term planning and creating the conditions for transformational change.”⁴

3. However, we are deeply concerned by the response of NI Executive parties to the proposed draft budget. **It would represent a significant retrograde step if the NI Executive failed to agree a multi-year budget** and instead reverted to another cycle of single-year budgeting. Our member organisations—and our own direct experience—demonstrate the damaging impact that single-year budgets have had on the homelessness sector. An illustrative example of the problem which the short-termism inherent to single-year budgets was provided by a member of our policy forum. This organisation had applied for funding through this year’s homelessness prevention fund. They were successful in their application. However, due to the short timeframe in which the fund was operating (in practice around six months from September), the organisation was unable to recruit staff to run the project and had to hand the money back to the Housing Executive. To be crystal clear, this is a direct consequence of single-year budgeting and the short-termism it instils.

4. **We urge Executive Ministers to agree on a multi-year budget.** While we fully acknowledge that a multi-year budget alone will not solve the wide range of challenges facing the homelessness sector and our statutory partners, it is undeniably a crucial foundation. Multi-year budgets must be coupled with sufficient funding to be truly effective. Nonetheless, agreeing such a framework would represent a positive step forward, enabling more efficient spending and improved long-term planning.

5. **Homeless Connect has major concerns about the consequences for people at risk of or experiencing homelessness—and for the wider homelessness sector—if the budget allocations proposed are implemented.** In the following section, we set out the current context, highlighting the rising levels of homelessness across Northern Ireland. We will then examine the proposed Resource and Capital budgets in turn.

6. Recent years have been exceptionally challenging when it comes to homelessness. The number of households with homelessness status has risen sharply. The table below sets out the change in the number of households with homelessness status over the last decade (i.e. found to be Full Duty Applicants for the purposes of the Housing (NI) Order 1988.)

Date	Total on Social Housing Waiting List ⁵	Total with Homelessness Status
Mar-15	39338	13644
Mar-16	37586	15075
Mar-17	37611	16356
Mar-18	36198	17520
Mar-19	37586	19629
Mar-20	38745	20951
Mar-21	43971	22217
Mar-22	44426	23978
Mar-23	45105	26310
Mar-24	47312	29394
Mar-25	49083	31719
Dec-25	49755	32993

This table illustrates the relentless increase in the number of households on the social housing waiting list with homelessness status. Between March 2015 and March 2025, there was a 132% (from 13,644 to 31,719 households) increase in the number of households with homelessness status on the list has been recorded. In March 2015, 35% of households on the list had homelessness status. In March 2025, the equivalent

proportion stood at 65%. It is manifestly obvious that more households are finding it impossible to access the affordable housing they so desperately need.

7. Coupled with the rise in the number of households with homelessness status has been a concomitant rise in the number of households living in temporary accommodation. The tables below outline the figures since July 2020 when it comes to temporary accommodation:

Date	Number of Households living in temporary accommodation ⁶
July 2020	2,930
January 2021	3,140
August 2021	3,402
February 2022	3,596
July 2022	3,658
January 2023	3,945
July 2023	4,204
January 2024	4,556
April 2024	4,784
November 2024	4,908
May 2025	5,220
October 2025	5,408

Date	Number of individual children living in Temporary Accommodation ⁷
July 2020	2,703
January 2021	2,935
August 2021	3,210
February 2022	3,344
July 2022	3,486
January 2023	3,716
July 2023	3,985
January 2024	4,197
April 2024	4,439
November 2024	4,643
May 2025	4,730
October 2025	4,834

8. Between July 2020 and May 2025, the number of households living in temporary accommodation increased by 85% (2,930 to 5,408 households) while the number of

children living in this type of accommodation has increased by 75% (2,703 to 4,834 children).

9. **By any rational assessment, these figures should be deeply alarming to policymakers.** Behind the statistics are people living in communities across NI experiencing profound disruption to their lives. The damaging impacts of homelessness on both mental and physical health are well-documented, and the consequences extend far beyond the housing system.⁸ The associated costs cascade into education, health, justice, and the wider economy, placing sustained pressure on public services.⁹

10. We acknowledge that every jurisdiction across the United Kingdom and Ireland has seen sharp rises in housing need and in the number of households experiencing homelessness. Homelessness is a complex phenomenon with multiple contributory factors. However, it must be recognised that the situation we face today is the outcome of political choices made by both the UK Government and the NI Executive over many years. Other jurisdictions have successfully prevented and reduced homelessness through policy and funding decisions that prioritised people at risk. Choosing not to invest adequately in social housing is one such political decision, the consequences of which are now borne by some of the most marginalised individuals in our society.

11. **In reviewing the detail of the Draft Budget 2026–2029/30, we are deeply concerned that the proposals will only intensify the challenges involved in preventing and reducing homelessness.** Our members strongly concur with this assessment. The NI Executive must collectively make difficult decisions to reform public services and increase revenue. Without decisive action, we fear that the number of people experiencing homelessness will continue its upward trajectory, with serious consequences for individuals, families, and wider society. **Rhetoric about protecting the most vulnerable will ring hollow if it is not backed by the investment required to deliver meaningful change.**

Capital Budget

12. The level of need for social housing provision is clear and growing. The Public Accounts Committee has recorded that annual delivery of new social homes remains significantly below assessed need.¹⁰ Every political party in the NI Executive is agreed that we urgently need to build more social housing. All of the parties signed off on the Housing Supply Strategy, which included a target to see 100,000 homes built over 15

years, with at least one-third being social homes.¹¹ To achieve this target would require approximately 2,200 new social housing starts per year. The parties also signed off on the Programme for Government which included a specific target to start 5,850 new social homes by the end of the Assembly mandate.¹² The Programme for Government included a specific target for 5,850 Social Housing new starts by the end of the Assembly mandate. To achieve the goal would require an average of 1,950 social housing new starts in each of the 2024/5, 2025/6 and 2026/7 financial years.

On both fronts, we are off-track on meeting the targets.

13. In 2024/25, the initial budget allocation was significantly reduced, allowing for only around 400 new homes. However, additional in-year funding increased this figure to 1,504 new starts—still short of the annual target but a marked improvement on initial projections.¹³ This year, 2025/6, started with a similar albeit less extreme pattern. Initially, the Department for Communities indicated that the capital funding allocated would only allow for around a 1,000 social housing new starts in 2025/6. However, monitoring rounds identified additional resources, raising the total to up to 1,750 social housing new starts in 2025/6.¹⁴ If 1,750 social housing new starts are recorded in 2025/6, then 2,596 social housing new starts would have to be recorded in 2026/7 to meet the target set out in the PfG. With thirteen years left to meet the Housing Supply Strategy target, annual new starts now need to exceed 2,300 if the target is to be met.
14. We are concerned to read what the Department for Communities considers the impact of the initial budget allocations to be as set out in the Equality Impact Assessment:

“DfC indicate that a Budget position that covers inescapable and pre-committed requirements would lead to a range of completely unpalatable decisions that would adversely impact all groups... and that these could be cumulative. A key example of this is Social Housing and Homelessness. The provision of New Build Social Housing is a priority for the Minister for Communities and the NI Executive with the need for investment evidenced by the social housing waiting list... As the programme delivers better homes to those most in need across all S75 groups, any decisions that may result in funding being diverted away from this priority would have significant detrimental effect on the number of new social homes that can be built and thus impact all groups... Insufficient funding for New Build Social Housing would in turn have a consequential impact on homelessness interventions.

Added to this, any failure to secure sufficient funding to address issues within the Homelessness Strategy 2022-27 will lead to a negative impact on some S75 groups including gender, younger people, and some religious and racial backgrounds. As social home building and Homelessness are inextricably linked, they cannot be considered in isolation. Any reduction in the ability to build new build social homes impacts directly the demand for temporary accommodation. This puts excessive pressure on the homelessness budget including the ability to invest in strategic and preventative measures which are needed to tackle homelessness in a sustainable manner. Looked at collectively, the impact of not sufficiently funding either of these services would therefore have significant cumulative impact across all Section 75 categories.”¹⁵

15. We agree with the analysis set out by the Department for Communities and would go further. Failure to provide sufficient numbers of social homes imposes costs beyond homelessness interventions including education, health and justice. We note that that the Budget document outlines that Reinvestment and Reform Initiative (RRI) funding is being earmarked for social housing to the amount of £423 million over four years for social housing, and we fully support this.¹⁶ We further welcome the increased allocation of Financial Transactions Capital (FTC) to the Department, part of which will support the LAMA (Loan to Acquire Move-on Accommodation) and Intermediate rent schemes. It has been positive to see the Department for Communities utilising FTC as a funding stream for increasing housing supply and we welcome the increase in the amount the Department will receive for this purpose.

16. However, even with these additional funding sources, the Minister for Communities stated at the Communities Committee on 29 January that the draft budget would not enable the Department to build the intended number of homes: “Look at the... budget, and you will see that that is not a budget that will help us build more homes. I would hope to have been in the first year of that budget to build 2600 homes... We’re probably talking 300, 400 hundred short.”¹⁷ **We strongly recommend that the budget finds a way to ensure that the Social Housing Development Programme receives sufficient funding to hit the targets** set out in the Housing Supply Strategy and the Programme for Government. While reliance on monitoring rounds is understandable to a degree, removing that uncertainty would be preferable.

Non-Ringfenced Resource Budget

17. **Homeless Connect is deeply concerned about the impact of the proposed resource budget for the Department for Communities.** The Department’s response to the Department of Finance, as set out in the Equality Impact Assessment, raises serious and alarming concerns for the homelessness sector.
18. The Department for Communities has identified forecast non-ringfenced resource DEL requirements of £922.7 million in 2026/27, £966.1 million in 2027/28, and £1,001.5 million in 2028/-29.¹⁸ However, the proposed allocations fall significantly short of these requirements once earmarked and ringfenced spending is excluded. Proposed resource spending is £754.1 million in 2026/27 (a £168.6 million shortfall), £774.6 million in 2027/28 (a £191.5 million shortfall), and £783.8 million in 2028/29 (a £217.7 million shortfall).
19. The Department has warned that, without additional funding above baseline, it would face severe constraints over the three-year budget period: “Without additional funding above baseline, the Department would face severe constraint over the three-year budget period. Not only would the Department be unable to initiate any new programmes, but due to pay and inflationary increases and increasing demand for public services, it would be unable to maintain existing service levels as delivered in 2025-6. To deliver a balanced budget under these circumstances, the Department would be forced to make extremely difficult decisions, including headcount reductions and reductions to core services and programmes.”¹⁹ **This assessment is deeply concerning for the homelessness sector.** Any reduction in services would have serious consequences for people experiencing or at risk of homelessness, particularly in the context of high and rising levels of need. In light of the high and rising level of need- as outlined above- additional service provision is much needed.

Homelessness Interventions

20. The response then goes on to outline what the consequences would be in several specific areas. We will consider each in turn. Firstly, on homelessness interventions, DfC indicates that they “would be unable to fund any increase in costs or demand associated with the provision of temporary accommodation. It would also be unable to adequately fund prevention and support activities to tackle homelessness or continue the Community Prevention and Support programme, or the Strategic Prevention Programme.”²⁰

21. **This paragraph is deeply concerning for several reasons.** First, in relation to temporary accommodation, the Housing Executive is under a statutory duty to provide it to those who are eligible under the Housing (NI) Order 1988. Failure to do so would be unlawful and may expose the Department to legal action. Moreover, people who require temporary accommodation often have no alternative options; failure to provide it would likely increase rough sleeping, with significant and well-documented harms.
22. **Second, it should be unthinkable that consideration would be given to cutting or ending either the Community Prevention and Support Programme or the Strategic Prevention Programme.** As members of our policy forum outlined to us, such a step would make no strategic sense and would run counter to several policies and strategies adopted by the Executive:
- a. The Programme for Government Housing Priority: “We will focus on preventing homelessness, making it brief, rare and non-recurrent”²¹
 - b. The Housing Supply Strategy 2024-2039: “Our Objectives... Prevention and Intervention: Prevent homelessness, reduce housing stress and improve and prioritise housing solutions for those most in need”²²
 - c. The Housing Executive’s Homelessness Strategy: “Wherever possible homelessness should be prevented; but if homelessness cannot be prevented it should be rare, brief and non-recurring”²³
 - d. The Interdepartmental Homelessness Action Plan: “The Inter-Departmental Homelessness Action Plan which was first published in November 2017 has been developed to complement the Northern Ireland Housing Executive’s new Homelessness Strategy. It focuses on addressing gaps in those non-accommodation services that have the most impact, or have the potential to more positively impact, on the lives and life chances of people who are homeless and those who are most at risk of homelessness.”²⁴
23. The importance of prevention has also been explicitly recognised and endorsed by the Minister for Communities both rhetorically and in funding provision. In 2024, Minister Gordon Lyons stated: “I am also pleased to announce that, for the financial year 2025-26 and moving forward, the Northern Ireland Housing Executive, for the first time ever, will have its own specific funding allocation for homelessness prevention. The voluntary and community sector deserves that clarity, and I am sure that Members will welcome this positive step in the right direction. **We have to make the strategic shift to the prevention of homelessness.**”²⁵ This commitment to a specific

funding allocation for homelessness prevention was delivered in 2025/26 and was strongly welcomed by the sector. In recent weeks, the Minister reiterated his commitment to homelessness prevention, outlining the following: “I have ring-fenced an additional £2.5 million for strategic homelessness prevention, provided £3 million to the New Foundations project and provided an additional £1 million to bring forward new and extended Supporting People services. That is in addition to the £4.3 million allocated to the Housing Executive for community homelessness prevention activities. I am proud of the change of approach that has been taken since I have come into the Department. However, I am not stopping here: I will continue to deliver, especially for those most in need.”²⁶ **The whole Executive should be supporting this shift to prevention and ensuring that the Department is able to invest in this work.** Sustaining these funding streams is essential to embed the strategic shift to prevention.

24. The NI Audit Office’s ‘Homelessness in NI’ report also emphasised the importance of prevention, noting that progress had been limited by funding challenges. As their report notes: “The NIHE’s key objective of prioritising homelessness prevention has been limited in its success due to these funding challenges, despite being at the heart of the Strategy and its potential for long-term harm reduction and cost savings across public services.”²⁷ **Reducing or eliminating these funding streams would set the Housing Executive back further still.**

25. Both the Public Accounts Committee and the Communities Committee reports came to the view that sustained investment in prevention is essential to reduce costly emergency placements and repeat homelessness. The Public Accounts Committee outlined that “Homelessness prevention must be prioritised as a key part of strategic delivery” and stated that “**homelessness prevention has been underfunded, short-term and reactive in nature.**”²⁸ The Communities Committee on the other hand states we need “a shift from reactive spending on temporary accommodation to proactive investment in prevention and support.”²⁹

26. Invaluable services such as the Welcome Organisation’s Outreach Service, the Complex Lives project, the Simon Community’s Housing First for Youth service, the Severe Weather Emergency Protocol and Depaul’s Foyle Haven (to name only a few) would either be reduced or forced to close. **The loss of these services would be nothing short of devastating for some of the most vulnerable people living in Northern Ireland who rely on these services.** We need to be clear that if funding for the Community Support and Prevention Programme was to end, services would close. Home-

less Connect itself receives its core funding from the Community Support and Prevention Programme. Our organisation would be at risk if funding for the programme was reduced or eliminated. We can state without fear of contradiction that reducing or eliminating the Community Support and Prevention Programme would place even greater pressure on the homelessness system, with significant knock-on effects for the education, health, and justice systems.

27. The Homelessness Prevention Fund, which received funding in 2025/26 and has already demonstrated significant positive outcomes³⁰, would again be at risk of closure. In the context of rising need, such reductions would be deeply damaging for individuals and fiscally counter-productive. **Cutting or ending these services should not even be countenanced.**
28. Rather than considering cutting or eliminating homelessness prevention programmes, **now is the time to invest in them.** Two comments are warranted. First, we would draw the attention of the Department of Finance to the Housing First Feasibility Study published by the Housing Executive in December 2025.³¹ Housing First is an internationally recognised and strongly evidenced intervention for people experiencing chronic homelessness. This detailed study not only makes a comprehensive case as to why Housing First should be expanded in this society, but it also provides a costed blueprint as to how it could be done.³² Housing First is not a silver bullet for addressing all aspects of homelessness. However, for the cohort of people experiencing homelessness- estimated in the report as being around 250 individuals- it can make a substantial impact.
29. Second, we submit to the Department of Finance that the NI Executive should collectively consider a **co-funding approach to homelessness prevention.** In so many areas, homelessness prevention work reaches into the spheres of education, health and justice. We are aware of a number of projects being funded through the Homelessness Prevention Fund that already operate across these policy areas. Co-funding not only expands the potential funding streams available, but it also broadens accountability beyond the Housing Executive and the Department for Communities for the delivery of positive outcomes. Such a step would help to break down departmental siloes. The recently launched New Foundations programme provides an excellent illustration of the fact that co-funding is possible where clear departmental leadership is shown. Members of our policy forum welcomed the idea of co-funding, but also noted that one-size fits all solutions should be avoided.³³

30. Finally, in considering homelessness prevention, we note that this is not the first time these two funding streams have been threatened. In fact, it has been a repeated pattern. Funding was made available for the strategic homelessness prevention in 2022/3. Due to pressures on departmental spending, this was then sharply reduced in 2023/4 and 2024/5, with specific ringfenced funding only being introduced in 2025/6. In 2025/6, it was reintroduced again and it has been having a positive impact. The 19 projects funded through the Community Prevention and Support Programme had faced short-term funding for three years from 2021/2 through to 2025/6 when an annual allocation was finally granted. **To read that these programmes could once again be in the firing line is exasperating for services who are making such a difference day in day out.**

31. This is a prime example of the NI Executive failing to live up to the Fair Funding Principles set out in the Partnership Agreement between the Community and Voluntary Sector and whole Executive.³⁴ It is no understatement to say that Homeless Connect members are deeply frustrated with how the sector is yet again being treated by Executive Departments and by the NI Executive collectively. **In no meaningful sense can this be viewed as treating partners in the Community and Voluntary Sector with respect.** It must be stressed that the uncertainty around funding is deeply damaging to organisations already struggling to recruit and retain staff. This news is causing considerable anxiety amongst staff in the sector whose jobs are at risk. The conversation should not be about whether prevention funding should be eliminated but how it can be bolstered with long-term, consistent funding.

Supporting People

32. The Department for Communities outlines in the EQIA the following when it comes to the Supporting People programme: “Additional funding is required to meet the needs of Supporting People providers. Without this funding, providers will not be able to meet their inflationary cost uplifts. Further strategy work will also need to be paused. This would call into question the viability of some SP schemes, would increase homeless presentations and would also have knock-on costs for the Health and Justice sectors.”³⁵ As Co-chair of CRISPP (the Committee Representing Independent Supporting People Providers) and serving as the representative body for several Supporting People funded organisations, we agree with this assessment from the Department and welcome the fact that the Department is making this point.

33. In our response to the Department for Communities’ Equality Impact Assessment on its 2024/25 budget allocations, we welcomed the Minister for Communities’ decision to provide an above-inflation increase in Supporting People (SP) funding. The Minister had previously described the programme as “invaluable” and “fantastic”, and these statements were supported by an increase in funding of approximately 6.4 per cent.³⁶ This decision was received with relief by SP-funded organisations. After a decade of decisions that failed to uprate the programme in line with inflation, the increase represented a positive initial step towards addressing the funding gap. However, as we noted in our response last year, welcome as it was, this uplift did not compensate for more than ten years of cumulative underinvestment in the programme.
34. In 2022, our CEO stated: “In future, Supporting People funding should keep up with inflationary increases. Let us learn from the past and not make the same mistakes.”³⁷ In 2025/26, however, the Department did not provide an inflationary uplift for SP-funded providers. Changes to Employers’ National Insurance Contributions and the National Living Wage increased provider costs, with the Department estimating an impact of £5.5 million across SP services, £2.23 million (40.5%) of which related to homelessness services.³⁸ As a result, the £4.8 million increase in 2024/25 was effectively offset. Yet again, **insufficient account was taken of inflation’s impact.**
35. The DfC did at least provide additional non-recurrent funding to providers in January 2026. In an answer to an Assembly Question, Minister Lyons outlined that he had “confirmed a further allocation of £1.98m in-year funding to the Supporting People Programme to address staffing and inflationary costs.”³⁹ While this was indeed warmly welcomed by providers, the major difficulty with non-recurrent one-off payments is that they cannot be used to provide an uplift in wages.
36. We note that there has historically been, and continues to be, a stark contrast between the pay and conditions available to staff in the homelessness sector and those in the public sector. For over a decade, SP funding was held in cash terms while public-sector pay was consistently uprated, widening the gap—especially when pensions are included. Several homelessness organisations have lost high-quality staff to public-sector organisations. Given that the sector performs a public task—and that NIHE would be legally obligated to step in if VCS provision was reduced or ceased—failure to address the gap is likely to prove more costly overall.
37. The funding issues facing the Supporting People programme generate a wide array of consequences, some of which the Department outlines in their commentary in the

EQIA. Our policy forum members outlined some of the following outcomes which would result:

- **Recruitment and retention challenges continue;** vacancies persist and lone working becomes more common, elevating risks for staff and clients. The constant loss of staff to the public sector which can offer better wages and pensions would only accelerate.
- **Greater reliance on agency staff** increases costs and undermines relational continuity. These costs for organisations are often under-appreciated but can be a significant burden.
- **Complexity of need continues to rise** (mental health, substance dependency), requiring both more staff and staff equipped with the requisite skills to support individuals with serious needs.
- **Reduced support capacity** widens an already significant gap between need and provision; reductions in temporary accommodation capacity can push NIHE towards more expensive non-standard options.
- **Redundancies and service closures become more likely**, with system-wide knock-on effects. Forum members highlighted the fact that these effects would be wide ranging including impacts on Education, Employment, Health and Justice. The impact would be especially acute for the Housing Executive which is already facing major financial challenges.

38. The Communities Committee made the following recommendation in their report on Homelessness and the Supporting People Programme: “The Committee recommends that the Department for Communities, in conjunction with the Department of Finance, agree a three-year budget settlement for the Supporting People Programme that includes an annual inflationary uplift.”⁴⁰ We wholeheartedly endorse this recommendation.

Conclusion

39. This submission has set out the scale and urgency of the homelessness crisis in Northern Ireland and the serious risks posed by the Draft Budget 2026–2029/30 if it is implemented without amendment. Rising levels of homelessness, increasing reliance on temporary accommodation, and the growing number of children affected should be deeply concerning to policymakers. These trends are not inevitable; they are the consequence of long-standing policy and funding decisions, particularly the sustained under-investment in social housing and homelessness prevention.

40. **While Homeless Connect strongly welcomes the move towards a multi-year budgetary framework, such a framework will only deliver meaningful change if it is underpinned by sufficient and sustained investment.** The evidence presented in this response demonstrates that the proposed capital and resource allocations for the Department for Communities fall significantly short of what is required to meet existing commitments, including those set out in the Housing Supply Strategy, the Programme for Government, and the Homelessness Strategy. Failure to adequately fund social housing supply and homelessness prevention will intensify pressure across the system, driving higher costs in health, education and justice, and storing up greater fiscal and social harm in the years ahead.
41. **The Draft Budget also risks undermining the strategic shift towards prevention that the Executive has repeatedly endorsed.** Cuts or uncertainty in funding for homelessness prevention programmes and Supporting People services would be counter-productive, increasing homelessness presentations and placing further strain on temporary accommodation and crisis services. In contrast, investing in prevention, expanding proven interventions such as Housing First, and adopting co-funding approaches across departments offer a more sustainable and cost-effective path forward.
42. **Homeless Connect therefore urges the NI Executive to use the Draft Budget process to make different choices:** to commit to a fully funded multi-year budget; to ensure that social housing supply targets are achievable; to protect and strengthen homelessness prevention and Supporting People services; and to align spending decisions with the Executive’s stated priorities of preventing homelessness and protecting the most vulnerable. Without such action, the gap between rhetoric and reality will continue to widen, with severe consequences for individuals, families and communities across Northern Ireland.

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