

CIH Northern Ireland response to consultation on the Department for Communities budget 2023-24 allocations

This is a response to the consultation by the Department for Communities, regarding proposed budget 2023-24 allocations.

Equality impact assessment response

For some time, the importance of housing has been a significant concern in Northern Ireland, with public sentiment strongly emphasising its pivotal role in fostering a prosperous society. Addressing the housing shortage and striving to bridge the gap between housing supply and demand are highlighted as central objectives in our programme for government (PfG) document. The region is currently grappling with unprecedented levels of housing stress, while experiencing substantial societal transformations, all within a challenging public spending environment with competing demands for limited resources.

These circumstances already present substantial challenges for the housing sector, and this draft budget only serves to exacerbate these pressures. We are deeply concerned about the widespread impacts this will have on our people and communities.

The Department for Communities (DfC) provides support to meet the needs of some of the most disadvantaged people, families and communities across Northern Ireland and they do this through a range of functions that impact the lives of everyone in our society. One of these areas of responsibility includes ensuring the availability of good quality and affordable housing, mirroring the PfG ambitions and helping to deliver wider societal objectives like improving health outcomes.

However, with the capital budget being reduced by £8.7m and the resource non-ring-fenced budget being cut by £13.4m, a total of £22.1m being withdrawn from social housing and other vital services (not accounting for further real reductions due to cost inflation), adverse impacts will be felt by many in our society.

This budget would see resource being reduced by 30.9 per cent over the last 12 years, and this has a knock-on effect to the services DfC can support and the strategic objectives that can be realised. Services such as discretionary support grants, labour market partnerships (LMPs), supporting people (SP) programme, and arm's length bodies (ALBs) which includes the Northern Ireland Housing Executive (NIHE), will be heavily impacted by these cuts and reducing money available to these services will result in depleted wrap around care that is essential to help support our people and communities not just thrive, but in the current climate, survive.

Impact on new-build social housing

Social housing helps people in need to sustain a good quality and affordable home. The social housing development programme (SHDP) managed by NIHE's development programme group provides funding allocated from DfC to housing associations across NI to allow them to build or buy new social housing. Our social housing sector is already struggling to meet its target number of homes due to the increased need and demand.

With approx. 45,000 people on our waiting list in NI against the reduced target number of new builds per year, many people will wait longer before their needs are met. We are concerned about the potential equality impacts of this policy on specific groups - there is a risk of perpetuating or exacerbating existing inequalities.

Impact on housing support

The cost-of-living crisis has meant that the discretionary support grant applications have risen to unprecedented levels. The current demand has been forecasted at £40m in 2023-24 but the budget allocation is only £13.7m - just 34 per cent of what is needed.

LMPs are a critical intervention with an aim to improve the employability outcomes for people. They exist to help people secure and maintain employment. Funding for this support has been paused.

The ALBs provide services and support to a range of sectors, but specifically NIHE whose goal is to allow everyone access to a decent, affordable home. The reduction in this funding has direct implications for a wide range of services that NIHE provides, particularly homelessness services. We hold grave concerns around the potential impact of cuts to this area.

Finally, in 2020 a report completed by the SP programme as the policy and funding framework for housing support services, identified significant shortfall in supply of support for a range of groups. Those shortfalls will only now be further exacerbated by the budget cuts.

All these examples compounded together will lead to more people being unable to access and maintain a home.

Ripple effect

In summary, social housing waiting list numbers are likely to rise, employability outcomes will come under pressure, those in need of financial support will rise, and we will also see numbers of people at risk of homelessness increase because of:

- Support required to help those into employment being reduced
- The cost of living crisis continuing while the money available for discretionary support grants is decreasing
- The number of social homes that can be built would decrease due to diminished funds, and
- The supporting people services dwindling due to funding cuts.

We have to ask the question, can the Department for Communities deliver its core priority of sustaining an accessible social security and financial support system and supporting people into employment with the proposed budget cuts?

The impacts of these cuts felt across the people and communities in Northern Ireland will be significant. They will exacerbate an already incredibly difficult situation and only further disadvantage those already struggling to live in 2023.

It all starts at home

Houses are more than just physical structures providing shelter. Having a safe and secure place to call home makes it easier to achieve life goals. These life goals can include becoming financially stable, maintaining a career, and promoting good physical and mental health all of which will contribute positively to our society.

We have a sector of housing professionals standing ready to deliver the homes needed to assist the 16,000 people presenting as homeless to NIHE each year, to help provide homes for the 4,200 children currently housed in temporary accommodation but less can be achieved on the reduced budget figures. With the money made available to the SHDP from 2012, housing associations have achieved 97 per cent of their new build target and remain ready to continue to deliver.



About CIH

The Chartered Institute of Housing (CIH) is the independent voice for housing and the home of professional standards. Our goal is simple - to provide housing professionals and their organisations with the advice, support, and knowledge they need to be brilliant. CIH is a registered charity and not-for-profit organisation. This means that the money we make is put back into the organisation and funds the activities we carry out to support the housing sector. We have a diverse membership of people who work in both the public and private sectors, in 20 countries on five continents across the world. Further information is available at: www.cih.org.

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