

Housing Rights

Consultation Response

www.housingrights.org.uk

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Housing Rights' response to the Draft Budget
2026-2029/30

March 2026

1.1. About Housing Rights

Housing Rights is Northern Ireland's leading independent provider of specialist housing advice. For over 60 years, we have been helping people to find and keep a home. We believe that prevention is better than the cure. Our work seeks to ensure that individuals and families living in Northern Ireland do not reach this crisis point. We recognise, however, that this is not always possible, and we also provide advice and assistance to help ensure that the experience of homelessness is rare, brief and non-recurrent.

Housing Rights passionately believes that no one should be without a home. We work towards the goal that everyone in Northern Ireland has a good quality, affordable and sustainable home that meets their needs. In particular, the organisation's services are targeted at people who need help to:

- Prevent them from becoming homeless;
- Find suitable rented accommodation;
- Sustain their tenancies;
- Explore their housing options;
- Avoid repossession and eviction;
- Tackle disrepair or poor conditions in their homes; and
- Meet their housing costs;
- Repay mortgage and/or rent arrears;
- Resolve disputes with their landlord and/or lenders.

Last year, our **services assisted 13,162 households** across Northern Ireland on **67,828 housing issues** and **prevented homelessness for 1,120 households**. Our work is unique among sector stakeholders in that we assist households across the housing market, from social rented to mortgage/owner-occupiers to private renters and households who are homeless. Our services also work closely with statutory services including the NI Housing Executive, the NI Prisons Service and the Courts and judiciary. We therefore have a profound understanding of the impact of homelessness in Northern Ireland. We recognise the value of independent advice to prevent homelessness and to affect positive outcomes across a number of government priorities including reducing recidivism, promoting access to justice and addressing health inequalities.

In addition to frontline specialist advice, representation and support services, Housing Rights has a policy and participation service that influences government policy decisions to improve housing and homelessness in Northern Ireland. **Our policy work is informed by the views and experiences of the people who contact us for advice, aiming to support the identification of evidence-based, informed solutions.**

2.0. Nature of our response

This response aims to inform the Department of Finance's draft budget 2026-2029/30. As experts in homelessness prevention and the provision of specialist housing advice, our comments primarily focus on the impact the proposed budget will have on the Department for Communities' (DfC) housing remit and related policy areas. This includes funding earmarked for social housing through the construction of social homes, homelessness services, alleviation, and prevention. As they are fundamentally linked to housing, we will

also provide comments on fuel poverty, the Just Transition, and housing benefits and welfare.

For the purposes of the consultation's data collection, our response will largely follow the same outline as the consultation survey provided on the Department of Finance website¹.

3.0. Context of the Housing Sector

Northern Ireland is in the midst of a housing crisis. The waiting list for social housing currently stands at almost 50,000 households, of which over 32,000 are statutorily homeless². There are currently 5,200 households in temporary accommodation, including 4,700 children³. The most recent annual spending figures on temporary accommodation are almost £40 million, which is a 16% increase on the previous year⁴.

This crisis is further compounded by mounting pressure in the private rented sector (PRS), which is experiencing an affordability crisis. Persistent underinvestment in social and affordable housing has led to an over-reliance on the PRS, and many vulnerable households are now housed in a sector unable to meet their needs. The PRS has grown in size to marginally exceed that of the social rented sector⁵. This means that private landlords now have responsibility for housing a similar number of households as the State. Yet, the policy and legislative underpinning and security provided for social tenants, such as the pre-action protocol⁶, are not provided for private tenants under current legislation.

The shift to an overreliance on the PRS has been problematic for several reasons. Firstly, supply challenges have led to rapid, unprecedented rent price inflation, severely impacting the affordability of low-income renters. According to research by Ulster University and the Northern Ireland Housing Executive (NIHE), average rents in Northern Ireland rose by 6.4% to £903 over 2024. In Belfast, the average rent reached £1,019 per month⁷. Statistics published by PropertyPal suggest that the average rent in Northern Ireland has reached £987 per month⁸. These rises are especially stark considering that, in 2020, PropertyPal reported the average monthly rent in Northern Ireland to be £664 per month⁹. This represents an increase in rent costs of over £2,700 compared to six years ago.

Secondly, the pace of this shift has meant that legislation and regulation governing private tenancies have not kept pace with demand and associated emerging challenges. While the Private Tenancies (Northern Ireland) Act 2022¹⁰ was a welcome step forward for renters' rights in Northern Ireland, it did not address affordability issues in their totality, limiting its measures to regulating deposits and frequency of rent increases.

The availability of affordable housing for purchase in Northern Ireland has continued to dwindle. Recent figures released by Smart Mortgage Insurance reveal that average Northern

¹ [Draft Budget 2026-2029/30 | Department of Finance](#)

² [Northern Ireland Housing Bulletin July - September 2025](#)

³ [Northern Ireland Homelessness Bulletin](#)

⁴ [Inside Housing - News - Annual temporary accommodation spend rises in Northern Ireland](#)

⁵ [census-2021-ms-e15.xlsx](#)

⁶ [Pre Action Protocol for Ejectment Proceedings - County Court.pdf](#)

⁷ [Performance of the Private Rental Market in Northern Ireland, H2 2024](#)

⁸ [NI Housing Market Update: Q3 2025 - Industry News - News And Analysis - PropertyPal](#)

⁹ [housing-market-trends-2020-Q4.pdf](#)

¹⁰ [Private Tenancies Act \(Northern Ireland\) 2022](#)

Ireland house prices have risen by 45% since the pandemic¹¹. This has had the knock-on impact of making it more difficult for aspiring first-time buyers to purchase a home, meaning people will inevitably spend longer in the private rented sector.

We have therefore created an environment of insufficient stock, record numbers of homeless households and a pressurised private rented sector which creates a high risk of homelessness for the most vulnerable in our society who rely on it for a home. The only realistic long-term solution is a significant, long-term, and certain investment in both our housing stock and homelessness prevention.

4.0. Do you agree with the prioritisation of funding within the 2026-2029/30 draft Multi-Year Budget?

Housing Rights supports the implementation of a multi-year budget, as it enables planning, innovation, and long-term resource allocation within the sector. A common issue arising from annual budget cycles is that the uncertainty inherent in the annual model limits the ability to plan, develop, and implement vital services and projects on a long-term basis. This impact is particularly pronounced in the Community & Voluntary sector, which central government relies upon for the delivery of services due to our proximity to communities. The greater security provided by a three-year model will assist in the delivery of government objectives and provide greater certainty to third sector delivery partners so that they can develop, implement, and maintain effective, high-quality services and retain skilled staff.

The implementation of a multi-year budget should also pave the way for Departments to adopt a transformational approach, which will be required amid ever-increasing financial pressures. In the context of housing, this means investing in homelessness prevention work. We will discuss the importance of this further in our response.

However, the benefits of the switch to a multi-year model are limited by the funding levels allocated. Although on the surface it appears to be a budget that increases year-on-year, the increases do not reflect the current inflation rate of 3.4% and therefore amount to real-term funding cuts for both the Departments for Communities and Justice.

Housing Rights is concerned that by the third year of the Budget, these cuts will become punitive and force Departments to restrict expenditure or defund work that is not directly related to their statutory duties. This poses a significant risk of exacerbating societal problems by limiting services specifically designed to address root causes. In the context of housing, we are deeply concerned by the suggestion that this would include homelessness prevention. The EQIA states that DFC:

“...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.”¹²

¹¹ [Northern Ireland House Prices Up 51% Since Pre-Covid - Smart Mortgage Protection Insurance](#)

¹² Department of Finance, “Draft Budget 2026–2029/30: Equality Impact Assessment” (Belfast: Department of Finance, 2026), <https://www.finance-ni.gov.uk/sites/default/files/2026-01/Budget%202026-29%2030%20Equality%20Impacts.pdf> 35

Doing so would be a dramatic departure from the NI Executive's strategic priorities as outlined in the Programme for Government and would undermine the policy intent of cross-cutting and Departmental strategies in the areas of housing supply, homelessness, justice and health.

Housing Rights also urge consideration of the findings of the recent findings from the Chartered Institute of Public Finance and Accounting who have stated that:

"Public sector organisations across the UK face growing demand for reactive services and increasing financial pressure. The widening gap between need and capacity is a threat to the sustainability of public services. The shift toward a more preventative approach, to increase the resilience of individuals and communities and reduce or delay the likelihood or severity of demand for reactive services, must be embedded at the heart of public service reform."¹³

It would be a regressive approach which would increase the demand for public expenditure (in a number of Departments) over the long term if the budget capacity to continue to invest in homelessness prevention services is not protected. Housing Rights would encourage the Department for Finance to work with the Department for Communities to find the resources to safeguard this area of public spending.

Real-term cuts will also mean that the full benefits of a longer-term funding model will not be realised within the Community and Voluntary Sector. The failure of budgets to keep pace with inflation will present additional challenges, including staffing and pay challenges, capacity limitations, a significant squeeze on already stretched resources, and a limited ability to develop innovative services and projects.

From Housing Rights' perspective, real-term cuts could potentially endanger our ability to carry out our work in a number of areas including in the prisons, which has been credited by the NI Audit Office with effectively reducing recidivism¹⁴, as well as our vital work assisting young people leaving the care system, and victims and survivors of domestic abuse.

In a wider sectoral context, vital services such as Supporting People will suffer from below-inflation funding, likely placing the programme under severe financial pressure.

The dangers to services identified above are implicitly recognised by the EQIA which accompanies this consultation. The assessment of the budget's equality impacts shows that DfC is the only Department expected to experience major adverse impacts across all Section 75 Groups.

Section 75 of the Northern Ireland Act requires more than the identification and avoidance of adverse impact; it also requires designated public bodies to take a proactive approach to promote equality of opportunity. The Equality Commission's Section 75 Guide for Public Authorities states that,

'The promotion of equality of opportunity entails more than the elimination of discrimination. It requires proactive measures to be taken to facilitate the promotion of equality of opportunity between the categories identified in Section 75. The equality duty should not deter a public authority from taking action to address disadvantage among particular

¹³ CIPFA, November 2025, Understanding Preventative Investment, available at <https://www.cipfa.org/about-cipfa/press-office/latest-press-releases/public-sector-preventative-spend-can-be-quantified>

¹⁴ [Reducing Adult Reoffending in Northern Ireland - HTML Version | Northern Ireland Audit Office](#)

sections of society – indeed such action may be an appropriate response to addressing those inequalities.¹⁵

Given that the consultation document acknowledges the disproportionate potential for major adverse impacts on all nine protected groups in respect of DfC's allocation, we wish to highlight the statutory obligation on the Department of Finance to put in place additional proactive measures to promote equality of opportunity and point to the recommendations outlined in this response as a means to achieve this.

5.0. What services should be prioritised in the 2026-2029/30 budget?

Homelessness Prevention

As outlined above, Northern Ireland is experiencing a worsening housing crisis that has resulted in a social housing waiting list of almost 50,000 households, and over 32,000 statutorily homeless households.

As noted by the NI Audit Office report, the statutory duties in relation to homelessness in Northern Ireland do not place preventing homelessness on an equal footing with supporting households once they become homeless. There is therefore an inherent tension between the NIHE Homelessness Strategy's policy objective to prioritise homelessness prevention and the legislative requirements on statutory bodies.

Both the Department for Communities and the NIHE acknowledge the importance of investing in prevention but are required to prioritise supporting those who have become homeless as per their statutory duty. This is recognised in the NI Audit Office report, which concludes;

“The full impact of NIHE prevention work has therefore not been realised and it is likely that households are becoming homeless in circumstances that could otherwise be preventable with earlier intervention. The NIHE's key objective of prioritising homelessness prevention has not been achieved, despite its potential for long-term harm reduction and cost savings across public services.¹⁶”

Housing Rights has been calling for the introduction of a statutory duty to prevent homelessness since 2016, and we recommend that this duty require relevant statutory bodies to cooperate to prevent homelessness, paving the way for the cross-departmental collaboration needed to transform our approach.

We recognise that legislation alone cannot drive change. **There is a need to invest in our services and systems to support meaningful change.** This includes new data systems, improved delivery support, adoption of best practices, and enhanced abilities to leverage learning, all of which are critical to closing the implementation gap between legislative duties and service capabilities¹⁷. It is therefore imperative that the financial headwind is afforded to

¹⁵ Chapter 5, Equality Commission's Section 75 Guide for Public Authorities

¹⁶ [Homelessness in Northern Ireland - Report | Northern Ireland Audit Office](#)

¹⁷ Often, the underlying policy intent is sound and informed by evidence, but the necessary investment and support to ensure local areas have the systems and capacity to implement it effectively are significantly underestimated. [A-smarter-approach-to-homelessness.pdf](#)

this transformation in public and by extension, third sector services which operate in the housing and homelessness sector.

Housing Rights are strong in our view that **such an investment would yield significant financial and societal benefits**. Under the Minister's draft budget proposals, the total resource spend per person is estimated at around £9,000 per year. A 2015 research report commissioned by Housing Rights found that the average cost of a person being homeless in Northern Ireland was around £15,000¹⁸. **Preventing one case of homelessness could therefore save almost double what the Executive are proposing to spend per person per year**. The rationale for investing in prevention is clear; every successful prevention case is a boost to the public purse. More importantly, every successful prevention case ensures an individual or household is treated with dignity and protected from the wider health and well-being impacts associated with homelessness.

Homelessness is a multidimensional and complex phenomenon that has impacts across the Programme for Government, including notably on health, justice and education. Evidence suggests that there is a range of prevention-related initiatives which work; these should be resourced and strengthened. **Reactive measures, of the kind the NI system currently employs, incur high and recurring costs while delivering poor value for money** and worse outcomes for individuals who are threatened with homelessness.

Strategically, **there is a need to recognise the value of homeless prevention as an investment that leads to better outcomes in a future crisis**. When budgets are tight, there is intense pressure to meet immediate need, but this approach squeezes out preventative investment, which would enable a more secure and sustainable footing to be reached. This accelerates the next crisis, which in turn requires another short-term fix.

Upscaling homelessness prevention would ensure better outcomes, including financial savings, across multiple departments. In the context of an ageing population, lower homeownership and increasing demand on an unprepared private rented sector, as well as the need for decarbonisation and a Just Transition, **it is essential that homelessness prevention is considered a true investment in our future**, one that will lead to tangible improvements in the lives our citizens, reduced costs, greater cross-departmental working, reduced future demand and a greater emphasis on long-term financial planning.

Housing Rights strongly recommends that homelessness prevention should be prioritised within the budget.

Supply and Social Housing Investment

Housing Rights believes that increasing capital investment into social housing is both fiscally responsible and necessary in the current housing context. Investing in social housing will generate long-term savings across Departments and create opportunities for citizens across Northern Ireland. Benefits include reduced Temporary Accommodation spend, better health and social services outcomes, reduced spend linked to homelessness and poor housing, improved justice outcomes including reduced reoffending, and the creation of employment opportunities through upscaled construction. It is also Housing Rights' fundamental belief that a safe, sustainable home is the cornerstone on which citizens can build themselves a life of opportunity, development and fulfilment. This will inevitably lead to long-term societal benefits.

¹⁸ Housing Rights is in the process of updating this research for 2026 and will disseminate the findings to all relevant parties.

Housing Rights supports the investment of RRI earmarked for NI Water alongside that earmarked for the building of social housing. We do, however, recognise that this additional funding will fail to close the funding gap required to bring our wastewater system up to modern standards and unlock the development backlog that is impacting house building.

The Programme for Government is committed to starting work on 5,850 new-build social homes by 2027¹⁹. At present, we are extremely short of this target, and it is highly unlikely to be met. In addition, while it is welcome that DfC's capital allocation will rise to £404 million by 2029/30, it is unlikely that this will be sufficient to meet the pro-rata target of 13,200 social homes that will enable the Department to meet the target of 33,000 new social homes by 2039 as laid out in the Housing Supply Strategy²⁰.

Housing Rights recommends that DfC's capital allocation is increased, with a view to enabling the Department to build on a larger scale to meet need as a long-term solution to the housing crisis and to ensure access to safe, sustainable and affordable homes.

A Just Transition

Housing Rights recognises that decarbonisation and the delivery of a Just Transition are listed as key objectives of the Housing Supply Strategy and are a common theme running through several actions of the Programme for Government.

While we welcome that it is considered in the construction of new homes, Housing Rights is concerned that the draft budget does not set aside a specific provision for the retrofitting of older homes, particularly those in the private rented sector. While this is essential for meeting the decarbonisation targets as laid out in the Climate Change Act 2022²¹, it is also essential to deliver the positive health outcomes, reductions in fuel poverty and prevention of homelessness that will accompany warmer, more energy-efficient homes.

Housing Rights is aware that both the Northern Ireland Housing Executive and Housing Associations are rolling out their own programmes for retrofit investment. However, it is our view that to enable a truly 'Just' Transition, it is essential that the retrofit investment be prioritised on a needs basis. This will require adequate resourcing from the Department for Communities to enable cross-tenure delivery.

The new Fuel Poverty Strategy, 'Warm, Healthy Homes 2026-2036'²² recognises that older homes and those in the private rented sector are most at risk of poor-quality housing, low standards, poor insulation, and fuel poverty. The strategy commits to introducing new Minimum Energy Efficiency Standards and raising the Minimum Housing Standard in Northern Ireland. To achieve this, a significant number of homes will need to be retrofitted to meet the new standards.

Housing Rights recommends that sufficient funding be provided to DfC to enable it to deliver decarbonisation and a Just Transition, and to meet its commitments under the new Fuel Poverty Strategy.

Reduction in Housing Benefit Allocation 2027-28

¹⁹ [Our Plan: Doing What Matters Most](#)

²⁰ [Housing Supply Strategy - A Home for Everyone](#)

²¹ [Climate Change Act \(Northern Ireland\) 2022](#)

²² [Warm Healthy Homes 2026 - 2036](#)

Housing Rights would query the reduction in the 2027-28 allocation earmarked for the purposes of Housing Benefit and request further information as to why there is a drop in allocation for that year.

6.0. Are there any services that no longer need to be delivered or can be reduced in 2026-29/30?

Removal of Early Discount from the Rating System

As outlined in Housing Rights' previous response to the Department for Finance on rating measures, Housing Rights supports the removal of the early discount from the rating system.

The payment of rates or other comparable mandatory costs in instalments by direct debit is, by design, intended to break the full cost into affordable chunks which can be paid over a period of time. This payment option is therefore likely to appeal more to low-income households.

It is Housing Rights' view that households with access to higher levels of income should not be favoured monetarily over households with lower incomes. The idea that low-income households cannot avail of a discount on a legally mandated charge while higher-income households can is unfair and places lower-income households at a disadvantage by having to pay more. A 4% discount may be marginal, but it is Housing Rights' experience that for low-income households whose affordability threshold is already being stretched, any extra funds can go a long way toward making rent or mortgage payments, heating a home, or buying food and essentials.

These pressures do not exist in higher-income households, and the opportunity to avail of a discount that is, in practice, closed to lower-income households effectively creates two tiers in which the most vulnerable are paying more. Removing the early payment discount from that rating system would generate revenue without unduly impacting lower-income households and deliver a fairer system.

End the House Sales Scheme

Housing Rights is of the view that it is now untenable for the NIHE's House Sales Scheme to continue. The selling of approximately 400-500 homes per year, sold for significantly less than what it costs to replace them, in the midst of a housing crisis characterised by consistent missing of housing targets and lack of available stock, amounts to a policy of fundamental self-harm which runs counter to the Government's aspirations to reduce homelessness and temporary accommodation spend. There is no societal benefit to the discount sale of vital public assets at a time of unprecedented need.

Ending the scheme would retain approximately 1,200 – 1,500 social homes over the course of this budget, protect Northern Ireland's existing social housing stock, and avoid a position whereby we severely weaken the net impact of the new build social housing we can successfully deliver.

7.0. Have you any other views?

As laid out in the context-setting piece of this response, Northern Ireland is experiencing a housing crisis that can only be solved through the dual commitment to building on a

sufficient scale to meet need and reorienting our housing and homelessness framework toward prioritising prevention.

While legislation will drive the shift toward prioritising homelessness prevention, we cannot afford the vital prevention services, which are battling a sustained crisis, to be endangered or potentially wound down due to severe financial pressure over the next three years. Failure to prevent homelessness ultimately costs more in the medium- to long-term. Every preventable homelessness case that arises during this budget period due to a lack of services or advice essentially entrenches a practice of borrowing from our future to pay for temporary accommodation or other costs today. This is not a financially responsible or sustainable cycle to perpetuate.

While the increase in funding for the Department for Communities is welcome, it is not sufficient to break this cycle. Targets for social home new builds will not be met, while homelessness prevention services will continue to be endangered, ensuring the housing crisis will continue.

Ensuring everyone in Northern Ireland has access to a safe, sustainable and affordable home will reduce long-term costs, deliver better outcomes across communities, health, justice and education, and create a more prosperous society.

Homelessness prevention is not only about homelessness, although that should be reason enough to justify adequate funding. It is about public health, tackling inequality, reducing criminality and delivering a healthier economy.

It is therefore vital that the Department for Communities is sufficiently funded to invest in homelessness prevention at scale, whilst also delivering on the targets of the Housing Supply Strategy.

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