



Department for  
**Communities**

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# Budget EQIA 2025-26

Final Decision Report

April 2026

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## Executive Summary

Following the Northern Ireland (NI) Executive's setting of the NI Budget 2025-26 on 3 April 2025, the Department for Communities (hereinafter referred to as 'the Department') faced a very constrained financial position.

With regards Non-Ring-Fenced Resource, the Department received an allocation of £756.8m<sup>1</sup>, against a total forecast requirement of £855.4m, leaving a shortfall of £98.6m (12%).

Regarding Capital, the Department received a net allocation of £270.0m, which resulted in a £161.3m (38%) shortfall on the Department's Capital DEL bids submitted for 2025-26.

Difficult initial decisions were taken by the Minister for Communities to live within the Department's 2025-26 Budget allocation. Given potential for adverse impacts across Section 75 groups resulting from the initial decisions, it was determined that an Equality Impact Assessment (hereafter referred to as EQIA) was required to measure the extent of the likely impacts of the Budget allocation on spending proposals for the 2025-26 financial year.

The EQIA was drafted and published for public consultation on 15 May 2025 to collate views from interested stakeholders. Following a 12-week consultation period, the Department's EQIA closed on 7 August 2025. The consultation page is located at:

<https://www.communities-ni.gov.uk/consultations/consultation-department-communities-budget-2025-26-allocations>

There were seven stages in the Department Budget 2025-26 EQIA process:

Stage 1 - Definition of the policy aims

Stage 2 - Consideration of available data and research

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<sup>1</sup> Total includes an indicative allocation of £2.8m iro Employer National Insurance increase, provided in June 2025 Monitoring.

Stage 3 - Assessment of impacts

Stage 4 - Consideration of mitigation measures

Stage 5 - Consultation

Stage 6 - Decision and publication of the results of the EQIA

Stage 7 - Monitoring

Following the end of consultation period, the Department has reviewed all 31 consultation responses received and considered the issues raised, to inform the Department's decisions on final Budget allocations. Consultation responses and learnings from the Department's prior year Budget 2024-25 EQIA consultation have also been taken into account, as many of the points raised by the public and stakeholder groups remain relevant.

This report sets out the findings of the first five stages of the process and the (Stage 6) decisions taken by the Department in the allocation of its 2025-26 Budget. This includes consideration of measures, within the Department's constrained 2025-26 Budget allocation, to mitigate adverse impacts of the Budget.

Responses to the Department's Budget 2025-26 EQIA consultation generally recognise that the decisions facing the Department are difficult, as is balancing the Department's obligations to the wide range of other stakeholders affected, including stakeholders across all Section 75 groups. However, overall consultation responses do not provide any clear alternatives for prioritisation of the Department's constrained Budget 2025-26 funding allocation.

The Department moved forward at pace, allocating Budget in order to provide clarity over likely funding to its Arm's Length Bodies (ALBs) with minimum delay. The Department had to decide how it can best balance the challenges presented by its constrained Budget and tight financial timescales, with the need to engage in a public consultation.

In making decisions, the Department has aimed to incorporate the outcomes of the public consultation to mitigate the worst impacts of the Budget allocation

which might better achieve the promotion of equality of opportunity in the Section 75 groups and the most vulnerable in our society. This includes utilisation of the additional funding provided to the Department by the Executive in the June 2025 and December 2025 Monitoring Rounds.

Consultation responses will continue to be used throughout the financial year to develop further mitigations where possible and will also be used to help inform the Department's 2026-30 Budget allocations.

This report follows the process set out in [Section 6.10 of the ECNI's Practical Guidance on EQIAs](#). This sets out best practice for publishing results of an EQIA and refers to the series of steps set out in Annex 1 of the 'Guide to the Statutory Duties'.

The Department's EQIA Final Report will be published on the Department's website.

In summary the key Departmental decisions made, in line with the measures set out in the draft EQIA, include:

- Progression of recruitment of staff for statutory social security benefit and pensions delivery, including the Move to Universal Credit;
- Homelessness and Supporting People Programme funding, increased by £3.7m above the 2024-25 Budget position, primarily for investment in Strategic Homelessness Prevention initiatives, with the remainder being used to help bring forward new and extended Supporting People Programme services, which align to the 3 year Supporting People Strategy and aim to prevent homelessness. This is in addition to the £4.8m uplift for Supporting People in 2024-25, on the 2023-24 Final EQIA Budget position, to help ensure continued viability of the programme;
- Voluntary and Community Sector funding increased by a further £2.8m on the Department's 2024-25 funding level, following a £1.5m increase in 2024-25;

- An additional £3.7m allocated to the Department's Arm's Length Bodies in 2025-26, above their 2024-25 funding level, to help fund the increase in Employers National Insurance Contributions from April 2025;
- An additional allocation for National Museums NI and Libraries to support operational stability and continued public accessibility to key cultural and educational institutions;
- Maintaining the Discretionary Support Grant Budget at £25.5m for 2025-26, to ensure support is available for eligible people facing financial stress;
- Resource funding to councils and other funded organisations to predominantly remain at 2024-25 levels;
- No increased investment in tackling rising levels of welfare fraud and error, given the absence of parity funding;
- The Department received £100m RRI funding for the Social Housing Development Programme in the opening budget. This only covered pre-committed funding requirements from previous years and did not deliver any New Build Social Home starts. From the general capital allocation, the Department was able to allocate £63.0m for New Building Social Homes starts, allowing for up to 1,000 New Build Social Home starts in 2025-26;
- A £2.5m allocation to Affordable Warmth approvals to improve energy efficiency in the homes of low-income households;
- A £4.2m allocation to a range of urban regeneration and neighbourhood renewal projects to create town and city centres in which people want to live, shop, work or visit; and
- A £6.7m allocation across a wide range of cultural, heritage and active community projects to help promote health and wellbeing across all S75 groups

Whilst these difficult decisions have been required by the Department to live within its constrained Budget allocation, to mitigate the worst impacts of the 2025-26 Budget allocation on the Section 75 groups, the Department has:

- **Secured an additional £38.8m of Capital DEL for NI Housing Executive for New Build Social Housing** - to enable delivery of up to 1,750 new starts in this financial year.
- **Secured an additional £10.5m of funding for NIHE Disabled Adaptations** - for priority improvement works to adapt NIHE properties for tenants living with a disability.
- **Secured £8.6m of funding for the Building Safety scheme** – to ensure that parity is maintained with Great Britain, and residents in Northern Ireland receive the same level of residential building safety as the rest of the UK.

In taking these decisions, the Minister has carefully considered responses to the consultation, the Department's statutory and contractual obligations, Ministerial priorities, and the significant Resource and Capital pressures the Department continues to manage in the demand for public service delivery. In particular, the pressures on Housing, the impact of recent high levels of inflation on all aspects of service delivery and the need to provide a meaningful pay award to staff.

## 1. Policy Aim

1.1. Section 75 of the NI Act 1998 requires the Department, in carrying out its functions, to have due regard to the need to promote equality of opportunity between -

- people with different religious beliefs;
- people from different racial groups;
- people of different ages;
- people with different marital status;
- people with different sexual orientations;
- men and women generally;
- people with or without a disability;
- people with or without dependants; and
- people with different political opinions.

1.2. In addition, but without prejudice to the duty above, the Department should also have due regard to the desirability of promoting good relations between people with different religious beliefs, different political opinions or from different racial groups.

1.3. Equality scheme commitments require public authorities to determine if there are any impacts on equality of opportunity and if there are opportunities to better promote equality of opportunity between people within the Section 75 equality categories. Where screening would not be an adequate means of gathering the information that is needed to assess the relevant equality impacts or opportunities, the public authority should proceed to do an EQIA.

1.4. The primary function of an EQIA is to assess whether policy proposals would have a differential impact and in particular, an adverse differential impact on the categories of persons listed in Section 75, and any sub-groups within those categories.

- 1.5. While the Department aims to avoid any adverse impacts, the process of setting Budgets can in some cases have an unintentionally greater impact on some specific Section 75 groups than others, for example, on males, females, young people or older people, etc.
- 1.6. Upon assessment, it was determined that the Executive's Budget 2025-26 allocation to the Department met these criteria and required an EQIA.
- 1.7. The purpose of the Department's Budget 2025-26 Equality Impact Assessment (EQIA) was to:
  - Share the initial decisions taken by the Minister for Communities to live within the Department's 2025-26 Budget allocation.
  - Highlight the potential impact of those decisions on the services and support the Department provides.
  - Detail any measures identified to mitigate the adverse impacts of the budget.
  - Record the findings and responses from the EQIA Consultation; and
  - Note the final decisions taken by the Department in order to live within its Budget allocation and how these decisions were made.

### **Budget 2025-26 - Context**

- 1.8. This section sets out the Department's initial assessment of the equality impacts of the Budget on spending proposals for the 2025-26 financial year.
- 1.9. It is important to note that the Department's Budget 2025-26 allocations provide funding for the Department's programmes, Arm's Length Bodies, administrative costs and capital investment, but do not cover benefits payments to customers which are funded directly by Treasury or by HMRC National Insurance Contributions.

### **Role of Department for Communities**

1.10. Through the NI Budget agreed by the Executive for 2025-26, the Department provides support to meet the needs of some of the most disadvantaged people, families and communities across Northern Ireland.

1.11. The Department delivers a diverse range of functions that impact on the lives of everyone in our society. The Department's common purpose is to make this a great place to live for everybody by supporting people, building communities, shaping places. The Department's areas of responsibility include:

- delivery of the social security system including child maintenance and pensions;
- providing advice and support for those seeking employment and for those who are unable to work;
- ensuring the availability of good quality and affordable housing;
- encouraging diversity and participation in society and promoting social inclusion;
- promoting sports and leisure within our communities;
- supporting local government to deliver services;
- supporting the Voluntary and Community Sector;
- delivering Neighbourhood Renewal and tackling disadvantage in the most deprived areas;
- identifying and preserving records of historical, social and cultural importance to ensure they are available to the public and for future generations;
- realising the value of our built heritage;
- supporting creative industries, and promoting the arts, language and cultural sectors;
- providing free access to books, information, IT and community programmes through our libraries;
- maintaining museums;
- revitalising town and city centres; and
- delivery of an Appeals Service.

1.12. The funding allocated to the Department includes funding to support the Department's Arms' Length Bodies. These include:

- Armagh Observatory and Planetarium
- Arts Council of Northern Ireland
- Commissioner for Older People for Northern Ireland
- Charity Commission for Northern Ireland
- Local Government Staff Commission (LGSC)
- National Museums Northern Ireland
- Northern Ireland Library Authority (known as Libraries Northern Ireland)
- Northern Ireland Museums Council
- Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC)
- Northern Ireland Commissioner for Children and Young People
- Northern Ireland Housing Executive (NIHE)
- Sport NI
- Ulster Supported Employment Limited
- North South Language Bodies
  - Foras na Gaeilge
  - Ulster-Scots Agency

## **Executive's Budget 2025-26**

1.13. The Executive agreed the Draft 2025-26 Budget on 19 December 2024.

Following agreement of the Draft Budget, the Department of Finance undertook a full 12-week public consultation period on the proposed budget allocations, in advance of the incoming 2025-26 financial year.

1.14. The public consultation closed on 13 March 2025, with responses collated and analysed, to inform the Executive's final decisions on departmental allocations.

1.15. The Final 2025-26 Budget was agreed by the Executive on 3 April 2025.

As outlined by the Finance Minister, John O'Dowd MLA, the 2025-26 'Budget reflects our Programme for Government commitment to 'Doing What Matters Most' and shows this Executive's determination to work together to deliver. It provides funding 'to cut waiting lists, deliver affordable childcare, support Special Educational Needs, invest in skills, make our communities safer, funds actions towards ending violence against women and girls, provide more social housing, protect Lough Neagh and for public sector Transformation'.

## **Department for Communities Budget 2025-26 Allocation**

1.16. The Executive's Budget 2025-26 settlement of 3 April 2025 provided the Department with an Opening Budget of £940.9m Resource DEL funding, £270m Capital DEL and £48.1m Financial Transactions Capital (FTC).

1.17. The Department's 2025-26 Non-Ring-Fenced Resource Opening Budget allocation reflected an £75.8m (11.1%) increase on 2024-25 Resource DEL. This change can mostly be explained by the Executive decision to amend the starting point for Budget 2025-26. While standard procedure has been to use the previous year's Opening baseline as the starting point, given the significant pressures faced by departments in 2024-2025, and the additional funding provided by Treasury in-year, the Executive

agreed to uplift Departmental baselines to reflect the October 2024-25 Monitoring outcome instead.

- 1.18. Within the Resource DEL position, Earmarked funding of £184.1m was provided for Welfare Mitigations, Housing Benefit Rates, De-Rating Grant, Benefit Delivery and PEACE PLUS funding. Except for a £1.8m bid for the Building Safety Scheme, which was funded within the Department's Non-Ring-Fenced Resource DEL allocation, the Department's Earmarked requirements in 2025-26 were met in full.
- 1.19. Additionally, the Department bid for £16.9m of Non-Ring-Fenced funding for Benefit Delivery staffing and to support Universal Credit delivery including employment support to people in NI. This £16.9m Benefit Delivery requirement was also met in full, although as an Earmarked allocation for 2025-26.
- 1.20. It should be noted that Earmarked allocations are provided for areas with an existing Executive commitment, or where HM Treasury has specified Earmarked funding for a defined purpose. As this funding is ring-fenced for a specific purpose, departments have no ability to reallocate any reduced requirements in Earmarked allocations to offset pressures in other areas.
- 1.21. For 2025-26, adjusting for the Benefit Delivery bid received as Earmarked and the reclassification of the Building Safety Scheme, the Department submitted £160.6m of Non-Ring-Fenced Resource DEL bids above baseline as part of the Budget 2025-26 Information Gathering Exercise. The Department notified the Department of Finance of a further £12.2m requirement following the proposed 2024 and 2025 Northern Ireland Civil Service (NICS) Pay Awards, notified in January 2025.
- 1.22. Against a total forecast requirement of £855.4m, (2025-26 opening baseline of £682.6m, plus £160.6m of Resource DEL bids and £12.2m of pay pressures relating to the 2025 NICS pay award), the Department received a Non-Ring-Fenced Resource allocation of £756.8m, leaving a

shortfall of £98.6m (12%). Similar to 2024-25, when the Department faced a Non-Ring-Fenced Resource funding gap of £115.8m, managing a Resource shortfall of this scale undoubtedly presents significant challenges and adverse impacts on the Department's ability to deliver public services in 2025-26.

1.23. The Department's Opening Capital allocation totalled £270.0m Net Capital for 2025-26. This reflected a £136.6m (102.4%) increase in Net Capital compared to the Department's 2024-25 Net Capital allocation of £133.4m. However, this allocation was still £161.3m (38.0%) short of the £431.3m forecast requirement for 2025-26. Of the £270.0m net allocation, £217.6m is for inescapable and pre-committed capital requirements, with only £52.4m remaining available to meet high priority bids, including the bid for the Social Housing Development Programme New Build Units.

1.24. In summary, the Department's 2025-26 Opening Resource and Capital allocations presented a very constrained and challenging Budget position. In managing opening allocations, the Minister has given critical consideration to the allocation of the Department's Budget in order to maximise and support public service delivery.

1.25. However, with the scale of cumulative Budget reductions in recent years and actions already taken, an EQIA was deemed necessary given that the further constrained Budget directly impacts on Department's services. This position is further exacerbated by high inflation and increased demand for public services in recent years.

1.26. Further detail on the Department's Opening Resource, Capital and Financial Transaction Capital requirements, and the actions required to live within the Budget 2025-26 Resource and Capital allocations is provided below.

## **Resource Budget 2025-26**

1.27. The Department's 2025-26 Resource funding is intended to cover the administration of Social Security benefits, Pensions and Child Maintenance Service delivery, support social and affordable Housing, Urban Regeneration and Local Government, and provide support for the Voluntary and Community Sector, the sports, arts, language and cultural sectors, our Arm's Length Bodies, the Public Record Office of NI and our built heritage. The Department's Opening Resource Budget also included ring fenced funding for Housing Benefit Rates (£71.4m) administered by the NI Housing Executive on behalf of tenants, and for continuing of existing Welfare Mitigations (£47.3m), which includes Social Sector Size Criteria (known as Bedroom Tax) and Benefit Cap mitigation.

1.28. The Department's Resource Budget in 2025-26, agreed by the Executive, is required to meet statutory, contractual, and other inescapable policy obligations and spend. This includes requirements relating to other statutory and contractual obligations for Councils, Arm's Length Bodies and voluntary bodies.

1.29. In allocating the Department's 2025-26 Budget, no areas of service delivery were proposed for reduction. The Department's Budget will continue to be allocated to support existing statutory and public service delivery and, in line with previous Budget EQIAs, will be used to mitigate any adverse impacts on Section 75 categories.

1.30. In light of this position, to ensure continuity of existing statutory and public service delivery, the Department's Opening Resource allocations reflected the following decisions –

- a) **Benefit Delivery recruitment progressed** – The Department agreed to progress critical recruitment related to statutory social security benefit and pensions delivery, including the Move to Universal Credit. This is a positive position for the Department, with the Executive recognising the need for critical benefit delivery funding through the provision of a £16.9m Executive Earmarked

allocation for 2025-26, which would allow for 400 additional staff in 2025-26. However, it is critical this allocation is recurrent in future years.

- b) **Voluntary and Community Sector support** - The Minister values the vital role provided by the Voluntary and Community Sector. Given pressures facing the sector including the Real Living Wage, Employers National Insurance Contributions and other inflationary pressures, and similar to the approach taken with Arm's Length Bodies, the Voluntary and Community Sector funding increased by £2.8m on the Department's 2024-25 funding level.
  
- c) **General Resource Allocation of £3.7m to DfC Arm's Length Bodies** - The Department's funded Arm's Length Bodies carry out a range of important functions and deliver on the Department's strategic objectives. The Minister acknowledges the vital contributions provided by the Department's Arm's Length Bodies, and despite the constrained financial position facing the Department in 2025-26, all DfC funded Arm's Length Bodies received an additional General Allocation in 2025-26, above their 2024-25 funding level. In total this allocation equates to an additional £3.7m for the Department's Arm's Length Bodies, based on 3% for Pay and a pro rata of the £2.8m allocated to the Department for the increase in Employers National Insurance Contributions from April 2025. The Department will continue to work closely with Arm's Length Bodies on monitoring the service impacts arising from the Budget 2025-26 allocations.
  
- d) **Libraries NI and National Museums NI service delivery support** – An additional allocation was proposed for National Museums NI and Libraries NI, to support operational stability and continued public accessibility to key cultural and educational institutions. The allocation will help mitigate financial pressures such as inflation, maintain vital public services to the minimum NI Public Library

standard and deliver statutory service provision especially when maintaining collections. In the context of the Department's heavily constrained Budget position, whilst the allocation will not fund all pressures faced, this funding will ease service delivery pressures in 2025-26.

- e) **Homelessness and Supporting People Programme** - The Minister acknowledges the hugely important role the NI Housing Executive delivers in addressing Homelessness and delivering the Supporting People Programme in NI. The Minister proposed an additional £3.7m above the 2024-25 Budget position, to help bring forward new and extended services which align to the 3-year Supporting People Strategy and aim to prevent homelessness. The proposed Homelessness allocation recognises the need to provide stability of funding for Community Prevention, and investment in Strategic Prevention to allow a focus on working with delivery partners to facilitate the implementation of new initiatives to reduce homeless demands through increased prevention activity.
- f) **Employment Support** - Employment is seen as the best route out of poverty and the Minister places significant value on the collaborative and partnership working arrangements in place across departments, with councils and external providers, to provide employment interventions at both an individual and local level. In light of the welfare changes in GB, set out under the Pathways to Work Green Paper, and the employability support proposals from the Get Britain Working White Paper, and to address Northern Ireland's high levels of economic inactivity and the largest disability employment gap in the UK, the Minister is keen to extend the Department's suite of employment support interventions. To support delivery on the necessary employment support interventions, in the absence of securing additional funding in 2025-26, the Department aims to utilise its own limited 2025-26

Budget to support more people, including disabled people and people with health conditions to move closer, find, and progress in work.

g) **Discretionary Support Grants** - Given financial pressures faced by many people, the Minister maintained the Discretionary Support Grant Budget at £25.5m for 2025-26, to ensure support is available for eligible people facing financial crisis.

h) Given the scale of financial challenge faced in 2025-26, **Resource funding to councils and other funded organisations predominantly remained at 2024-25 levels**. Additionally, where bids for additional Executive funding were not met, the Department is largely unable to increase expenditure in these areas. This includes increasing investment in tackling welfare fraud and error, and further investment in Homelessness Interventions, Supporting People Programme, and in the Culture, Arts, Sport and Heritage sectors. As outlined, the Department's Resource expenditure is necessary to meet statutory, contractual, and other inescapable policy obligations and spend, and as such there is minimal scope to allocate the Department's 2025-26 Resource Budget differently. The approach taken in 2025-26, like previous years will maximise use of the Department's limited Resource allocation, to avoid any adverse impacts on Section 75 groups.

1.31. Following the decisions outlined at a) to h) above, the Department has been left with a funding gap of £17m to manage in-year, which is the equivalent of the funding required for 425 staff. This position also assumes the Department's Arm's Length Bodies can largely manage within their Resource allocations. Given this challenging funding position, actions will be progressed in-year to minimise the risk of overspend, including;

- Continuing as far as possible to limit all discretionary departmental expenditure;

- Continually review and maintain careful oversight of Resource expenditure, to ensure best use of the limited funds available;
- Submitting bids for in-year Monitoring Rounds and for any other available funding, such as Transformation funding; and
- Considering any further opportunities as they arise to live within Budget.

1.32. Throughout 2025-26, the Minister will strive to deliver the best possible outcomes for people and the community, within the Department's available Resource funding envelope.

### **Capital DEL 2025-26**

1.33. The Department's Opening Net Capital allocation of £270.0m, is higher than the opening Budget for 2024-25 of £133.4m. However, this falls significantly short, by £161.3m (38%), of the Department's Capital DEL bids submitted for 2025-26.

1.34. The Department's Net Capital allocation includes a specific allocation of £100.0m for social housing and £50.0m of Earmarked funding to support a range of Executive projects/ programmes decisions including City and Growth Deals, Complementary Fund and Inclusive Future Funding, Casement Park and The Northern Ireland Football.

1.35. Whilst the 2025-26 Capital allocation has allowed the Department to broadly meet its statutory obligations (such as Discretionary Support Loans, Funeral Loans and Health and Safety requirements) and inescapable Capital commitments (such as contractual commitments), the Department has faced a significant shortfall in funding available for other high priority Capital projects.

1.36. Considering the extremely challenging Opening Capital position, after inescapable requirements were met, taking proactive measures to manage the position, only £77.3m of funding was available for Other High

Priority Capital Projects. To maximise use of the available Budget, the Department's Opening Capital allocations reflected the following decisions –

- a) £63.0m allocation to **New Build Social Homes** – This opening allocation allowed for up to 1,000 New Build Social Home starts in 2025-26. The allocation of £100.0m RRI for social housing was required to meet commitments from previous years.
- b) £2.5m allocation to **Affordable Warmth** – to improve energy efficiency in the homes or low-income households.
- c) £4.2m allocation to a range of **urban regeneration and neighbourhood renewal** projects to create town and city centres in which people want to live, shop, work, or visit.
- d) £6.7m across a wide range of **cultural, heritage and active community** projects to help promote health and wellbeing across all Section 75 groups.

### **Financial Transaction Capital 2025-26**

1.37. The Department's Opening Financial Transaction Capital allocation was £48.1m in 2025-26, which is in line with the forecasted need. This will support loans to, or equity investment in, capital projects delivered by the private sector and allow continuation of Co-Ownership affordable housing and the 'Loan to Acquire Move on Accommodation' (LAMA) homelessness scheme in 2025-26. In addition, it has provided funding for the Social Capital Loan Scheme for the Voluntary, Community and Social Enterprise sector.

## 2. Consideration of Available Data and Research

2.1. Following closure of the Department's 2025-26 Budget EQIA consultation, and in assessing the impact of the Budget 2025-26 policy against obligations under Section 75 of the 1998 Act, the Department has concluded that there is evidence of potential impact in respect of all Section 75 categories. Impacts have been considered against the backdrop of available data and the stated policy intent to determine whether differential impacts identified are adverse. Where this is the case, consideration has been given to potential for mitigations, aligned with the Department's 2025-26 Budget position. This consideration has included utilisation of additional funding provided to the Department by the Executive in the June 2025 and December 2025 Monitoring Rounds as well as the further allocation in February 2026, to reduce adverse impacts of the Department's Budget allocation.

2.2. In compiling the Final EQIA Report and understanding the adverse impacts on Section 75 Groups, the data considered was derived from a number of sources. These include –

- the Labour Force Survey (NISRA),
- Northern Ireland Census 2021,
- Family Resources Survey;
- the Department for Communities Professional Services Unit,
- the Department for Communities Integrated Compliment System (ICS),
- Department for Work and Pensions,
- the Chancellor's Spending Reviews and Budget announcements,
- Office of Budget Responsibility publications,
- University of Ulster Economic Policy Centre Research Data,
- Jobseeker's Allowance Summary of Statistics,
- Poverty Bulletin: Northern Ireland, Households Below Average Income Northern Ireland,
- Database for Income Modelling and Estimation (DIME) dataset,

- Department's Audit of Inequalities 2021-22<sup>2</sup>,
- The Department's Annual Fraud and Error results,
- The Department's Resource and Capital DEL expenditure and outcomes delivered in prior years,
- The Department's Annual Managed Expenditure (AME) in prior years and groups supported,
- Departmental Business Cases documentation,
- Extensive work carried out by the Department on evidence-based budgeting and prioritisation of funding,
- Responses to the Department's Budget 2023-24 and 2024-25 EQIAs,
- Response to the Department's Discretionary Support EQIA,
- Section 75 Monitoring data collated on the Department's policy decisions, including returns provided by the Department's funded Arm's Length Bodies, and
- Forecasting of the impact of the 2025-26 Budget on the Department, its Arm's Length Bodies, funded programmes, sectors and organisations, and the potential availability of funding during 2025-26.

2.3. Throughout the EQIA process, the Department has also worked closely with its Arm's Length Bodies to understand the impact of the Budget 2025-26 outcome on service delivery, and the potential impacts of the policy on the various Section 75 groups.

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<sup>2</sup> Audit of Inequalities - <https://www.communities-ni.gov.uk/sites/default/files/publications/communities/dfc-audit-of-inequalities-2012-2022.pdf>

### **3. Assessment of Impacts**

- 3.1. The Minister is committed to ensuring that the Department fulfils its duties under Section 75 (1) and (2) of the Northern Ireland Act 1998 in relation to having due regard to the need to promote equality of opportunity and to have regard to desirability of promoting good relations.
- 3.2. In so doing the intention is to ensure that in identifying and taking forward Budget proposals, due regard has been given to the needs and concerns of all Section 75 groups and that the subsequent actions put forward in support of the Budget proposals effectively target the needs of those most vulnerable and at risk.

#### **2025-26 Budget**

- 3.3. Given the Department's Non-Ring-Fenced Resource funding gap of £98.6m (-12%) and £161.3m (-38%) shortfall in Capital in 2025-26, lengthy and evidence-based consideration has been given to the decisions necessary to live within Budget. As part of this process, the Department determined an EQIA was necessary to ensure decisions on the 2025-26 Budget allocation did not have an adverse differential impact on the categories of persons listed in Section 75, and any sub-groups within those categories.
- 3.4. In managing allocations, the Minister has considered pressures on the Department's Arm's Length Bodies and 3rd party funded organisations, including the Voluntary and Community sector, and the need to ensure continuity of critical service provision which supports people across all Section 75 groups. This includes allocation of the marginal uplifts in the Department's 2025-26 Resource Budget to mitigate service delivery impacts on Section 75 Groups and utilisation of the Department's Capital allocation to achieve greatest value.
- 3.5. The functions and bodies identified as impacted by the 2025-26 Budget include –

- i. **Benefit Delivery**
- ii. **Voluntary & Community Sector**
- iii. **Arm's Length Bodies**
- iv. **Supporting People Programme and Homelessness**
- v. **Employment Support**
- vi. **Discretionary Support Grants**
- vii. **Councils & other funded organisations**
- viii. **New Build Social Housing and Other High Priority Capital**

3.6. Following the consultation, in assessing the impact of the Budget 2025-26 policy against obligations under Section 75 of the 1998 Act, the Department has concluded that there is evidence of potential adverse impact in respect of all Section 75 categories.

### **Section 75 Categories Potentially Impacted**

3.7. A summary of impacts is provided below; this is however not intended to be an exhaustive list, given the supports, services and information provided by the Department, its Arm's Length Bodies and 3rd party funding organisations touch on every household and Section 75 group in Northern Ireland.

#### **i. Benefit Delivery**

Similar to the Department for Work and Pensions (DWP), the Department's Universal Credit (UC) caseload doubled during the pandemic and continues to remain high. This has left the Department operating with insufficient staffing levels which are presently impacting on operational delivery areas.

In agreeing the Final 2025-26 Budget, the Executive allocated an additional £16.9m Earmarked Resource funding for welfare benefit

delivery in 2025-26. This funding allocation will allow the Department to progress all critical planned recruitment in 2025-26 related to statutory social security benefit and pensions delivery, including the Move to Universal Credit. This is a positive position for the Department, with the Executive recognising the need for critical benefit delivery funding through the provision of the £16.9m Earmarked allocation for 2025-26. This will provide funding for 400 additional staff in 2025-26, however it is crucial this allocation is recurrent in future years. Recurrent funding is necessary to appropriately resource benefit delivery including child maintenance and discretionary support services. Failure to have sufficient staffing levels in place would pose a risk of delay in benefit payments, including completion of the Move to Universal Credit, would impact on telephony and service delivery performance, and would place working age customers in financial hardship. In future years, it is also expected that the Department will need additional funding to implement the UK Government’s proposed welfare changes.

The Department’s assessment of the likely impact of Budget 2025-26 £16.9m additional Earmarked allocation for benefit delivery upon those within Section 75 categories, identified the following:

Groups	Impact
All Groups – - Religious Belief - Political Opinion - Race - Age - Marital Status - Sexual Orientation - Gender - Disability - Dependents	<p>The Department’s benefit delivery and pensions services benefit all eligible citizens across NI within this S75 group.</p> <p>Whilst the Department has a high level of actual vacancies and anticipated vacancies from attrition, the additional £16.9m Earmarked allocation will allow <b>the Department to progress all planned benefit delivery recruitment in 2025-26.</b></p> <p>As a result, <b>no adverse impact is expected on this S75 group.</b></p>

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ii. **Voluntary & Community Sector**

The Minister recognises the vital contribution of the Voluntary and Community sector in representing the interests and values of people and communities and in promoting societal wellbeing and resilience. Across government we rely on the sector to directly support communities, to advocate for the most vulnerable in society and to contribute to the co-design and co-production of public services.

There is no single database of Voluntary and Community sector (VCS) organisations. Details on the makeup and conditions of the sector comes from the formal register of charities, from surveys of large membership organisations like the Northern Ireland Council for Voluntary Action (NICVA; [www.nicva.org](http://www.nicva.org)), the Rural Community Network (RCN; [www.ruralcommunitynetwork.org](http://www.ruralcommunitynetwork.org)) and CO3 (the Chief Executive Officers of the Third Sector [www.co3.org.uk](http://www.co3.org.uk)) and from qualitative feedback from formal and informal engagement with sector leaders, workers and volunteers.

The Department supports the Sector through a range of programmes & initiatives and is the single biggest government funder of the work of the sector. NICVA estimates that over 53,000 people work in the Voluntary and Community Sector in NI and the sector accounts for a bigger share of the active workforce in NI than at a UK level (7% in NI compared to 3% at a UK level). Women account for a greater share of the VCS workforce than the overall NI workforce – a feature also found in other parts of the UK and in Ireland.

A large proportion of organisations in this sector operate with very lean budgets. Charity commission data shows that 29% of Voluntary & Community Sector organisations have an annual income under £10,000

and only 21% have incomes above £100,000. 40% of respondents to the Department’s recent survey of sector organisations reported annual income of under £50,000. NICVA estimates the annual income of the sector at £819m, 56% of which comes from government departments and agencies, 22% from public donations and 13% from earned income.

Given pressures on the sector, the Department will increase Voluntary and Community Sector funding by £2.8m on the Department’s 2024-25 Final EQIA Budget position funding level. The Department’s assessment of the likely impact of its Budget 2025-26 Voluntary and Community Sector allocation upon those within Section 75 categories has not identified any potential adverse or differential impacts:

Group	Impact
Religious Belief	<p>The 2021 Census breakdown of religious belief in NI showed that 44% of the population are Protestant, 46% Catholic, 1% other religions and 9% no religion. An Equality Commission study for 2021<sup>3</sup>, showed that 43.5% of the workforce was Protestant, 43.4%, was Catholic and 13.1% were “non-determined”.</p> <p>The local charitable sector provides specific services to meet the needs of this group: e.g. The advancement of religion is a stated charitable purpose for 1,922 charities – The advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity is a stated charitable purpose for 489 charities.</p> <p>No likely adverse or differential impact on this S75 group has been identified from the Department’s increased allocation to the voluntary and community sector.</p>
Political Opinion	<p>In Census 2021, 814,600 people (42.8%) living here identified solely or along with other national identities as ‘British’. This is down from 876,600</p>

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<https://www.equalityni.org/ECNI/media/ECNI/Publications/Delivering%20Equality/FETO%20Monitoring%20Reports/No32/MonReport32.pdf>

	<p>people (48.4%) in 2011. The Census also found, 634,600 people (33.3%) living here identified solely or along with other national identities as 'Irish'. This is up from 513,400 people (28.4%) in 2011. Finally, the Census 2021, identified 598,800 people (31.5%) living here as solely or along with other national identities 'Northern Irish'. This is up from 533,100 people (29.4%) in 2011.</p> <p>The local charitable sector provides specific services to meet the needs of this group: e.g. The advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity is a stated charitable purpose for 489 charities. The advancement of citizenship or community development is a stated charitable purpose for 3042 charities.</p> <p>No likely adverse or differential impact on this S75 group has been identified from the Department's increased allocation to the voluntary and community sector.</p>
Race	<p>The local charitable sector provides specific services to meet the needs of this group: e.g. – The advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity is a stated charitable purpose for 489 charities.</p> <ul style="list-style-type: none"> <li>- 9% of charities provide services in support of ethnic minorities.</li> <li>- 7% of charities provide services in support of community safety/crime prevention.</li> <li>- 3% of charities provide services in support of Travellers</li> <li>– 3% of charities provide services in support of Asylum seekers/refugees.</li> <li>- 3% of charities provide victim support services.</li> </ul> <p>No likely adverse or differential impact on this S75 group has been identified from the Department's increased allocation to the voluntary and community sector.</p>
Age	<p>The local charitable sector provides specific services to meet the needs of different age groups: e.g.</p> <ul style="list-style-type: none"> <li>- 26% of charities provide services in support of older people.</li> </ul>

	<p>- 8% of charities provide services in support of carers.  - 48% of charities provide services in support of children (aged 5 - 13)  - 44% of charities provide services in support of young people (aged 14-25)  - 20% of charities provide services in support of preschool children (aged 0-5).</p> <p>No likely adverse or differential impact on this S75 group has been identified from the Department's increased allocation to the voluntary and community sector.</p>
Marital Status	<p>There were 693,000 adults who were married or in a civil partnership in Census 2021. This made up 46% of our population aged 16 and over. In contrast 577,000 adults (38%) were single (never married/civil partnered).</p> <p>No likely adverse or differential impact on this S75 group has been identified from the Department's increased allocation to the voluntary and community sector.</p>
Sexual Orientation	<p>The local charitable sector provides specific services to meet the needs of this group: e.g. – The advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity is a stated charitable purpose for 489 charities – 2% of charities provide services in relation to sexual orientation.</p> <p>Census 2021 – In total 31,600 people aged 16 and over (or 2.1%) identified as LGB+ ('lesbian, gay, bisexual or other sexual orientation'), 1.364 million people (90.0%) identified as 'straight or heterosexual' and 119,000 people (7.9%) either did not answer the question or ticked 'prefer not to say'.</p> <ul style="list-style-type: none"> <li>• 4.1% of adults (1 in 25) in Belfast identified as LGB+, while 1.1% of adults in Mid Ulster identified as LGB+.</li> <li>• 4.6% of people aged 16 to 24 identified as LGB+, this falls to 0.3% of people aged 65 and over.</li> <li>• Across England, Wales and Northern Ireland, Northern Ireland (2.1%) has the lowest percentage of people who identify as (LGB+), thereafter</li> </ul>

	<p>comes Wales with 3.0% of people who identify as LGB+ and then England with 3.2%.</p> <p>No likely adverse or differential impact on this S75 group has been identified from the Department's increased allocation to the voluntary and community sector.</p>
Gender	<p>The local charitable sector provides specific services to meet the needs of this group: e.g. – 31% of charities provide services in support of women – 20% of charities provide services in support of men</p> <p>Census 2021 – The census day population comprised of 967,000 females and 936,100 males. This means that for every 100 females in Northern Ireland there were 96.8 males. Only in Mid Ulster are there more males than females (300 more males). Belfast has the lowest proportion of males to females with 94.8 males to every 100 females. The pattern of sex ratios is consistent with more rural Local Government Districts having a sex ratio closer to parity and more urban Local Government Districts having markedly more females than males.</p> <p>No likely adverse or differential impact on this S75 group has been identified from the Department's increased allocation to the voluntary and community sector.</p>
Disability	<p>The local charitable sector provides specific services to meet the needs of this group: e.g. The advancement of health or the saving of lives is a stated charitable purpose for 1,277 charities</p> <ul style="list-style-type: none"> <li>– 14% of charities provide services in support of mental health</li> <li>– 11% of charities provide services in support of physical disability</li> <li>– 10% of charities provide services in support of learning disability</li> <li>– 6% of charities provide addiction support services</li> <li>– 6% of charities provide services in support of sensory disability.</li> </ul> <p>Census 2021 – In total 1.497 million people, or just under four persons in every five (78.7%), indicated they had 'Good or very good' general health. The</p>

	<p>standard of general health falls with age. While less than 1% of people aged under 15 had 'Bad or very bad' general health, this rises to 17% of people aged 65 or more. In contrast nearly 97% of people aged under 15 had 'Good or very good' general health, this falls to half of people aged 65 or more. One person in four (24.3% or 463,000 people) had a limiting long-term health problem or disability, 40% of which were aged 65 or more (185,300 people).</p> <p>No likely adverse or differential impact on this S75 group has been identified from the Department's increased allocation to the voluntary and community sector.</p>
Dependents	<p>The 2021 NI Census indicated that 29% per cent of households in Northern Ireland contained dependent children and 45% contained at least one person with a long-term health problem or disability.</p> <p>The local charitable sector provides specific services to meet the needs of this group: e.g.</p> <ul style="list-style-type: none"> <li>– 21% of charities provide services in support of parents</li> <li>– 8% of charities provide services in support of carers.</li> </ul> <p>No likely adverse or differential impact on this S75 group has been identified from the Department's increased allocation to the voluntary and community sector.</p>

**iii. Arm's Length Bodies (ALBs)**

The Department's 11 ALBs provide services and support to a range of sectors including Housing, Arts, Libraries, Museums and Sports. The Minister recognises that there are challenges for the Arm's Length Bodies to live within their Budget 2025-26 allocations, and it is proposed to make a general allocation of £3.7m across the ALB's and allocate some specific funding to National Museums NI and Libraries NI to support operational stability and continued public accessibility to key cultural and educational

institutions. However, given the continued constrained financial position facing the Department in 2025-26, providing further increased allocations to ALBs is not affordable at this time. The Department will continue to work closely with Arm’s Length Bodies on monitoring the service impacts arising from their Budget 2025-26 allocations.

EQIA Monitoring, following the Department’s Budget 2024-25 Final Budget decisions and allocations to ALBs, identified no significant adverse impacts on Section 75 groups resulting from 2024-25 Budget decisions.

Amongst the ALBs are two that are rights based, and the Minister recognises the potential impact on rights-based work related to children and young people and older people in NICCY and COPNI. The Department will work with these organisations to support them to limit the impact on direct rights-based work.

The Department’s assessment of the likely impact of Budget 2025-26 ALB allocation upon those within Section 75 categories has not identified any potential adverse or differential impacts:

<b>Groups</b>	<b>Impact</b>
All Groups – - Religious Belief - Political Opinion - Race - Age - Marital Status - Sexual Orientation - Gender - Disability - Dependents	<p>The Department’s Budget allocations to its funded Arm’s Length Bodies benefit all citizens across NI within these S75 groups.</p> <p>Whilst the Department faces a heavily constrained financial position in 2025-26, all DfC funded Arm’s Length Bodies will receive an additional General Allocation in 2025-26, above their 2024-25 funding level.</p> <p>EQIA Monitoring following the Department’s Budget 2023-24 and 2024-25 Final Budget allocations to ALBs, identified no significant adverse impacts on Section 75 groups resulting from 2023-24 and 2024-25 Budget decisions.</p> <p>The Department will continue to work closely with Arm’s Length Bodies on monitoring the service</p>

	impacts arising from their Budget 2025-26 allocations.
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**iv. Supporting People Programme and Homelessness**

**The Supporting People** programme is the policy and funding framework for housing support services. The Programme assists 19,500 vulnerable people each year to live independently and is focused on four thematic areas; working with people who are experiencing homelessness, young people, older people and people with a disability including mental health and learning disabilities.

Supporting People provides housing support services to assist vulnerable people to live independently: providing support services that reduce hospitalisation, institutional care or homelessness, assisting transitions to independent living from institutionalised environments; and maintaining tenancies. The Programme helps service users to access welfare benefits, gain or sustain employment, live independently, better manage their physical and mental health, contribute to society and social networks and access crisis accommodation and healthcare.

The most visible form of **homelessness** involves people who are seen living on the streets, but the issue of homelessness is much broader than that, including for example, people living in temporary accommodation, people living in poor conditions that are damaging to their health, people who are at risk of violence if they stay at their current accommodation, people staying with family or friends (often referred to as sofa surfing), people living in very overcrowded conditions and people living in a house that is unsuitable for their physical needs.

Anyone can become homeless, but issues such as unemployment, poor physical and mental health, alcohol and substance misuse, relationship breakdown, and combinations of all these, will increase the risk of losing

a home and being unable to quickly find another. Crisis<sup>4</sup> have noted that ‘People become and stay homeless for a whole range of complex and overlapping reasons which are a combination of structural factors in society and individual support needs, decisions, and actions. Solving homelessness therefore is about much more than putting a roof over people’s heads. As well as the impact on the individuals, there are also recognised costs to the economy.

The Minister acknowledges the hugely important role the NI Housing Executive delivers in addressing Homelessness and delivering the Supporting People Programme in NI. The Minister proposes an **additional £3.7m above the 2024-25 Budget position**, to help bring forward new and extended services which align to the 3 year Supporting People Strategy and aim to prevent homelessness. The proposed Homelessness allocation recognises the need to provide stability of funding for Community Prevention, and investment in Strategic Prevention to allow a focus on working with delivery partners to facilitate the implementation of new initiatives to reduce homeless demands through increased prevention activity.

The Department’s assessment of the likely impact of the Budget 2025-26 Supporting People and Homelessness allocations upon those within Section 75 categories, has not identified any potential adverse or differential impacts:

Groups	Impact
All Groups – <ul style="list-style-type: none"> <li>- Religious Belief</li> <li>- Political Opinion</li> <li>- Race</li> <li>- Age</li> </ul>	The Department’s Budget decisions including a £3.7m increase in funding for the Supporting People Programme and Homelessness above the 2024-25 Budget position. This will help ensure continued viability of the programme and support homelessness interventions. This will provide positive benefit for people across S75 groups, including older people and people with a

<sup>4</sup> Crisis Policy Briefing: Introduction to Homelessness & Housing, Crisis <https://www.bl.uk/collection-items/introduction-to-homelessness-and-housing>

<ul style="list-style-type: none"> <li>- Marital Status</li> <li>- Sexual Orientation</li> <li>- Gender</li> <li>- Disability</li> <li>- Dependents</li> </ul>	<p>disability including mental health and learning disabilities who could otherwise be disproportionately affected by homelessness. However, potentially all vulnerable citizens across NI in S75 groups could benefit from these supports, if eligible.</p> <p>A report in 2020 identified significant shortfalls in supply of housing support particularly for the following groups:</p> <ul style="list-style-type: none"> <li>• Older people with housing support needs (service shortfall of 9% or c. 920 units).</li> <li>• Women who are at risk of domestic violence (service shortfall of 49% or c.650 units).</li> <li>• People with learning disability or mental health issues (service shortfall of 15-21% or c.540 units).</li> <li>• Homeless people experiencing alcohol or drug issues, homeless families, offenders and other homeless people (service shortfall of 12-24% or c. 540 units).</li> </ul> <p>The additional funding will help meet increasing costs, thereby ensure continued access to vulnerable people, including those in Section 75 groups.</p> <p>The Department will continue to work closely with NI Housing Executive on monitoring the service impacts arising from the Budget 2025-26 allocations.</p>
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**v. Employment Support**

Employment is seen as the best route out of poverty and the Minister places significant value on the collaborative and partnership working arrangements in place across departments, with councils and external providers, to provide employment interventions at both an individual and local level.

Working in partnership, the Department funds a suite of employability provision to support people to find and retain employment. The provision

aims to improve employability outcomes and labour market conditions by working through a multi-agency partnership approach at local and regional level, with regional objectives being flexible to meet the needs presented by localised conditions, such as economically inactive, long-term unemployment, youth unemployment, disability, and skilled labour supply. The employment interventions positively impact across S75 groups, helping those seeking work and provide critical support to help people with a disability or health condition, to remain in work.

The Department is currently assessing the impacts of the recently announced welfare changes in GB, as set out under the Pathways to Work Green Paper, and employability support proposals from the Get Britain Working White Paper. In light of this, and to address Northern Ireland's high levels of economic inactivity and the largest disability employment gap in the UK, the Minister is keen to extend the Department's suite of employment support interventions. To support delivery of the necessary employment support interventions, in the absence of securing additional funding in the 2025-26 Budget, in-year funding bids are proposed. Additionally, the Department will utilise its own limited 2025-26 Budget to support more people, including disabled people and people with health conditions to move closer to work, find work, and progress in work.

The Department's assessment of the likely impact of increased investment in Employment Support interventions, upon those within Section 75 categories, identified the following potential positive impacts:

Group	Impact
Religious Belief	The 2021 Census breakdown of religious belief in NI showed that 44% of the population are Protestant, 46% Catholic, 1% other religions and 9% no religion. An Equality Commission study for 2021 <sup>5</sup> , showed that 43.5% of the workforce was

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<https://www.equalityni.org/ECNI/media/ECNI/Publications/Delivering%20Equality/FETO%20Monitoring%20Reports/No32/MonReport32.pdf>

	<p>Protestant, 43.4%, was Catholic and 13.1% were “non-determined”.</p> <p>The Department’s employment support provision services benefit all eligible citizens across NI within this S75 group. Whilst the Department has a constrained 2025-26 Budget position, employment support provision will be maintained at 2024-25 levels and additional funding will be sought to support the impacts of the recently announced welfare changes in GB, as set out under the Pathways to Work Green Paper, and employability support proposals from the Get Britain Working White Paper.</p>
Political Opinion	<p>In Census 2021, 814,600 people (42.8%) living here identified solely or along with other national identities as ‘British’. This is down from 876,600 people (48.4%) in 2011. The Census also found, 634,600 people (33.3%) living here identified solely or along with other national identities as ‘Irish’. This is up from 513,400 people (28.4%) in 2011. Finally, the Census 2021, identified 598,800 people (31.5%) living here as solely or along with other national identities as ‘Northern Irish’. This is up from 533,100 people (29.4%) in 2011.</p> <p>The Department’s employment support provision services benefit all eligible citizens across NI within this S75 group. Whilst the Department has a constrained 2025-26 Budget position, employment support provision will be maintained at 2024-25 levels and additional funding will be sought to support the impacts of the recently announced welfare changes in GB, as set out under the Pathways to Work Green Paper, and employability support proposals from the Get Britain Working White Paper.</p>
Race	<p>The intersectionality of gendered poverty compounds its impact on women with other marginalised identities. Black women, for instance, face higher odds of being single parents and working low-wage jobs. Additionally, households belonging to Black, Pakistani and Bangladeshi communities are more likely to have dependent children and larger families, making</p>

	<p>them more susceptible to reductions in Universal Credit.<sup>6</sup></p> <p>The Department's employment support provision services benefit all eligible citizens across NI within this S75 group. Whilst the Department has a constrained 2025-26 Budget position, employment support provision will be maintained at 2024-25 levels and additional funding will be sought to support the impacts of the recently announced welfare changes in GB, as set out under the Pathways to Work Green Paper, and employability support proposals from the Get Britain Working White Paper.</p>
Age	<p>The 2021 census indicated that 17% of the 1.9m people resident in Northern Ireland are 65 and over, 19% are aged 0-14, 12% age 15-25, and 52% age 25 – 64.</p> <p>The Department's Audit of Inequalities identifies young people (18-24 year olds) as having the lowest working age employment rates and the highest rates of unemployment and economic inactivity. Young people, in particular those aged 18 to 24, face a particular disadvantage in the labour market and therefore could be adversely impacted by Budget policy. This has been highlighted in research reports from the Centre for Labour and Social Studies<sup>7</sup>, Chartered Institute of Personnel and Development<sup>8</sup>, European Economic and Social Committee<sup>9</sup>, City and Guilds<sup>10</sup> and the TUC<sup>11</sup>.</p> <p>The Department's employment support provision services benefit all eligible citizens across NI within this S75 group. Whilst the Department has a constrained 2025-26 Budget position, employment support provision will be maintained at 2024-25 levels and additional funding will be sought to support the impacts of the recently announced welfare changes in GB, as set out</p>

<sup>6</sup> <https://policyinpractice.co.uk/we-can-do-better-women-welfare-and-the-gender-benefits-gap/>

<sup>7</sup> [Labour Market Realities: Barriers Facing Young People | Blog | CLASS \(classonline.org.uk\)](#)

<sup>8</sup> [Recruiting young people facing disadvantage: an evidence review \(cipd.co.uk\)](#)

<sup>9</sup> [Young people are worse off than older generations in today's labour market | European Economic and Social Committee \(europa.eu\)](#)

<sup>10</sup> [Youth Misspent: Uncovering the harsh realities for Britain's young people in today's job market - News \(cityandguilds.com\)](#)

<sup>11</sup> <https://www.tuc.org.uk/news/young-workers-three-times-more-likely-be-employed-sectors-where-jobs-are-most-risk-tuc>

	<p>under the Pathways to Work Green Paper, and employability support proposals from the Get Britain Working White Paper.</p>
Marital Status	<p>Whilst the Department has no specific data to determine the impact of the resource Budget on this group, in 2021 there were 7,921 marriages in Northern Ireland.</p> <p>Women experience higher rates of poverty than men for two main interconnected reasons: women typically earn lower wages per hour and work fewer paid hours over their lifetimes, while also facing income loss due to caregiving responsibilities. Although this wage gap may be offset by the earnings of male partners in dual income (and mixed sex) households, it leaves single women, pensioners, and especially single parents in precarious financial situations, susceptible to poverty-level incomes.</p> <p>Women, particularly unmarried/single mothers, rely more heavily on benefits as part of their income, rendering them vulnerable to cuts in benefits. Moreover, as we see in benefit take-up rates, women are more likely to qualify for means tested benefits, exacerbating their struggle to escape poverty.<sup>12</sup></p> <p>The Department's employment support provision services benefit all eligible citizens across NI within this S75 group. Whilst the Department has a constrained 2025-26 Budget position, employment support provision will be maintained at 2024-25 levels and additional funding will be sought to support the impacts of the recently announced welfare changes in GB, as set out under the Pathways to Work Green Paper, and employability support proposals from the Get Britain Working White Paper.</p>
Sexual Orientation	<p>In terms of total population data, the 2021 NI Census data indicates that 2.1% of the household population in Northern Ireland identify as Lesbian, Gay or Bisexual. The Continuous Household Survey 2022 records 0.7% of participants as gay/lesbian, 0.6% bisexual, 0.3% Other, 1% undetermined and 97.3% heterosexual.</p>

<sup>12</sup> <https://policyinpractice.co.uk/we-can-do-better-women-welfare-and-the-gender-benefits-gap/>

	<p>In the absence of data, it is difficult to determine the impact on this group of the Department's 2025-26 Budget allocation. However, some available research would suggest that bisexual women are more likely to claim disability-related benefits than their heterosexual counterparts, and gay and bisexual men are more likely to claim work-related benefits than their heterosexual counterparts<sup>13</sup>.</p> <p>The Department's employment support provision services benefit all eligible citizens across NI within this S75 group. Whilst the Department has a constrained 2025-26 Budget position, employment support provision will be maintained at 2024-25 levels and additional funding will be sought to support the impacts of the recently announced welfare changes in GB, as set out under the Pathways to Work Green Paper, and employability support proposals from the Get Britain Working White Paper.</p>
Gender	<p>NISRA population statistics indicate that men and women make up roughly equal parts of NI's 1.9m population.</p> <p>However, on the whole, women make up the majority of benefit claimants. At face value, this could be for several reasons:</p> <ul style="list-style-type: none"> <li>• Women, especially low-income women, are more likely to manage their household finances and therefore are more likely to make and manage claims, and are more likely to lead on household bills and budgets.</li> <li>• However, women are also more likely to suffer financial vulnerability, earn less on average, and have less to retire on than men. Recent analysis by the Pensions Policy Institute found that women need to work an additional 19 years to keep up with men's pensions.</li> <li>• Women earn less than men and therefore could be entitled to more benefits, and higher benefit rates as a result when they do claim. Lower earnings, career breaks for family care, and providing more unpaid care than men, leave women in a financially poorer position<sup>14</sup>.</li> </ul>

<sup>13</sup> <https://lgbtqwelfare.stir.ac.uk/2022/12/08/lgb-access-to-welfare-benefits/>

<sup>14</sup> <https://policyinpractice.co.uk/we-can-do-better-women-welfare-and-the-gender-benefits-gap/>

	<p>The Department's employment support provision services benefit all eligible citizens across NI within this S75 group. Whilst the Department has a constrained 2025-26 Budget position, employment support provision will be maintained at 2024-25 levels and additional funding will be sought to support the impacts of the recently announced welfare changes in GB, as set out under the Pathways to Work Green Paper, and employability support proposals from the Get Britain Working White Paper.</p>
Disability	<p>The 2021 Census indicates that nearly 45% of households in Northern Ireland, with one or more people in the household, contain at least one person with a disability (40% for 2011).</p> <p>NISRA statistics show that 21% of adults in Northern Ireland are classed as having a disability. Disabled people face a higher risk of poverty. The poverty rate for disabled people has remained broadly constant at around a third since 2013-14. <sup>15</sup>The difference is particularly stark for working-age adults: those who are disabled are more than twice as likely to live in poverty than those who are not (38% and 17% respectively).</p> <p>The Department's employment support provision services benefit all eligible citizens across NI within this S75 group. Whilst the Department has a constrained 2025-26 Budget position, employment support provision will be maintained at 2024-25 levels and additional funding will be sought to support the impacts of the recently announced welfare changes in GB, as set out under the Pathways to Work Green Paper, and employability support proposals from the Get Britain Working White Paper.</p>
Dependents	<p>The 2021 NI Census indicated that 29% per cent of households in Northern Ireland contained dependent children and 45% contained at least one person with a long-term health problem or disability.</p> <p>Work is recognised as the best way out of poverty and is an important step to wellbeing and mental</p>

<sup>15</sup> JRF UK Poverty 2023 - [https://files.localgov.co.uk/jrf\\_638103267396801742.pdf](https://files.localgov.co.uk/jrf_638103267396801742.pdf)

	<p>health recovery, improving self-esteem and confidence and reducing psychological distress, and is likely to provide improved income for those people with dependents. Employment interventions also lead to better health, improved work ability and reduced costs related to production loss at work and sickness absence, including reduced costs for the already under pressure Health Service.</p> <p>The Department's employment support provision services benefit all eligible citizens across NI within this S75 group. Whilst the Department has a constrained 2025-26 Budget position, employment support provision will be maintained at 2024-25 levels and additional funding will be sought to support the impacts of the recently announced welfare changes in GB, as set out under the Pathways to Work Green Paper, and employability support proposals from the Get Britain Working White Paper.</p>
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vi. **Discretionary Support**

The Department's Discretionary Support (DS) Scheme provides support to people facing financial crisis. The Department's historic Baseline Budget for Discretionary Support Grants totalled £13.7m, however, given pressures facing households, the Minister set the 2024-25 Budget at £25.5m. Given the continued financial pressures faced by many people, the Minister will maintain the Discretionary Support Grant Budget at £25.5m for 2025-26. This allocation will ensure support is available for eligible people facing financial crisis in 2025-26. Furthermore, Capital funded hardship loans will continue in 2025-26.

With rising poverty levels, failure to sustain Discretionary Support would impact most on those already disproportionately impacted, including low-income families, disabled people, older people, women and children. The monitoring data, compiled following the policy changes introduced in July 2023, showed no greater negative impact on lone parents and females

compared to claims from all Section 75 groups. Discretionary Support has been available to all eligible people in 2024-25, with monitoring indicating no negative or disproportionate impact on any Section 75 group.

The Department's assessment of the likely impact of its Budget 2025-26 decisions on Discretionary Support provision upon those within Section 75 categories, identified the following potential positive impacts:

<b>Group</b>	<b>Impact</b>
Religious Belief	<p>The 2021 Census breakdown of religious belief in NI showed that 44% of the population are Protestant, 46% Catholic, 1% other religions and 9% no religion.</p> <p>The Department's DS Scheme benefits all eligible citizens across NI within this S75 group. In the Department's report covering Section 75 statistics for Discretionary Support claims from August 2021 to March 2023, almost half (48%) of the applicants identified as Roman Catholic. The decision to maintain Discretionary Support at 2024-25 levels will ensure support is available for all eligible citizens within this S75 group.</p>
Political Opinion	<p>In Census 2021, 814,600 people (42.8%) living here identified solely or along with other national identities as 'British'. This is down from 876,600 people (48.4%) in 2011. The Census also found, 634,600 people (33.3%) living here identified solely or along with other national identities as 'Irish'. This is up from 513,400 people (28.4%) in 2011. Finally, the Census 2021, identified 598,800 people (31.5%) living here as solely or along with other national identities as 'Northern Irish'. This is up from 533,100 people (29.4%) in 2011.</p> <p>The Department's DS Scheme benefits all eligible citizens across NI within this S75 group. In the Department's report covering Section 75 statistics for Discretionary Support, claims from August 2021 to March 2023, 34% of the applicants identified as Irish. The decision to maintain Discretionary Support at 2024-25 levels will ensure support is available for all eligible citizens within this S75 group.</p>

Race	<p>The 2021 Census recorded that 3.5% (66,600) people were from ethnic minority groups.</p> <p>The intersectionality of gendered poverty compounds its impact on women with other marginalised identities. Black women, for instance, face higher odds of being single parents and working low-wage jobs. Additionally, households belonging to Black, Pakistani and Bangladeshi communities are more likely to have dependent children and larger families, making them more susceptible to changes in Universal Credit.<sup>16</sup></p> <p>The Department's DS Scheme benefits all eligible citizens across NI within this S75 group. In the Department's report covering Section 75 statistics for Discretionary Support claims from August 2021 to March 2023, 96% of the applicants identified as white. The decision to maintain Discretionary Support at 2024-25 levels will ensure support is available for all eligible citizens within this S75 group.</p>
Age	<p>The 2021 census indicated that 17% of the 1.9m people resident in Northern Ireland are 65 and over, 19% are aged 0 -14, 12% age 15 - 25, and 52% age 25 – 64.</p> <p>The Department's DS Scheme benefits all eligible citizens of all ages across NI. In the Department's report covering Section 75 statistics for Discretionary Support claims from August 2021 to March 2023, 51% of the applicants were recorded as being aged between 16 - 34. The decision to maintain Discretionary Support at 2024-25 levels will ensure support is available for all eligible citizens within this S75 group.</p>
Marital Status	<p>The Department's DS Scheme benefits all eligible citizens across NI within this S75 group. Whilst the Department has no specific data to determine the impact of the resource Budget on this group.</p> <p>Women experience higher rates of poverty than men for two main interconnected reasons: women typically earn lower wages per hour and work fewer paid hours over their lifetimes, while</p>

<sup>16</sup> <https://policyinpractice.co.uk/we-can-do-better-women-welfare-and-the-gender-benefits-gap/>

	<p>also facing income loss due to caregiving responsibilities. Although this wage gap may be offset by the earnings of male partners in dual income (and mixed sex) households, it leaves single women, pensioners, and especially single parents in precarious financial situations, susceptible to poverty-level incomes.</p> <p>The monitoring data indicated that the Discretionary Support policy changes of July 2023 did not negatively impact single mothers more than any other Section 75 group.</p> <p>The decision to maintain Discretionary Support at 2024-25 levels will ensure support is available for all eligible citizens within this S75 group.</p>
Sexual Orientation	<p>In terms of total population data, the 2021 NI Census data indicates that 2.1% of the household population in Northern Ireland identify as Lesbian, Gay or Bisexual. The Continuous Household Survey 2022 records 0.7% of participants as gay/lesbian, 0.6% bisexual, 0.3% Other, 1% undetermined and 97.3% heterosexual.</p> <p>In the Department's report covering Section 75 statistics for Discretionary Support claims from August 2021 to March 2023, 11% of the applicants identified as Gay/lesbian/bisexual/other. The decision to maintain Discretionary Support at 2024-25 levels will ensure support is available for all eligible citizens within this S75 group.</p>
Gender	<p>NISRA population statistics indicate that men and women make up roughly equal parts of NI's 1.9m population.</p> <p>The monitoring data indicated that the Discretionary Support policy changes of July 2023 did not negatively impact women more than men.</p> <p>The decision to maintain Discretionary Support at 2024-25 levels will ensure support is available for all eligible citizens within this S75 group.</p>
Disability	<p>The 2021 Census indicates that nearly 45% of households in Northern Ireland had one or more people in the household with a disability (40% for 2011).</p>

	<p>NISRA statistics show that 21% of adults in Northern Ireland are classed as having a disability. Disabled people face a higher risk of poverty. The poverty rate for disabled people has remained broadly constant at around a third since 2013/14.<sup>17</sup> The difference is particularly stark for working-age adults: those who are disabled are more than twice as likely to live in poverty than those who are not (38% and 17% respectively).</p> <p>In the Department's report covering Section 75 statistics for Discretionary Support claims from August 2021 to March 2023, 54% of the applicants considered themselves to have a physical or mental health condition. The decision to maintain Discretionary Support at 2024-25 levels will ensure support is available for all eligible citizens within this S75 group.</p>
Dependents	<p>The 2021 NI Census indicated that 29% per cent of households in Northern Ireland contained dependent children and 45% contained at least one person with a long-term health problem or disability.</p> <p>The poverty rate among carers continues to be above those who are not carers. Almost 1 in 3 children in the UK are living in poverty (31%). Nearly half of children in lone-parent families live in poverty, compared with 1 in 4 of those in couple families. Of the working-age adults, lone parents are by far the most likely of any family type to be struggling with poverty. The child poverty rate for children in families with three or more children is almost twice as high as the rate for children in one or two child families (47% compared with 24%). This means around 1 in 4 children in one or two child families are in poverty, compared with almost 1 in 2 children in families with three or more children.<sup>18</sup></p> <p>High levels of poverty are more likely to be experienced by people with dependents, including dependent adults.</p>

<sup>17</sup> JRF UK Poverty 2023 - [https://files.localgov.co.uk/jrf\\_638103267396801742.pdf](https://files.localgov.co.uk/jrf_638103267396801742.pdf)

<sup>18</sup> <https://www.causewaycoastandglens.gov.uk/council/equality-diversity-and-the-disability-duties/screening-outcome-reports/screening-reports-2023/screening-reports-april-to-june-2023/hardship-fund-scheme-equality-screening>

	The decision to maintain Discretionary Support at 2024-25 levels will ensure support is available for all eligible citizens within this S75 group.
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**vii. Councils & other funded organisations**

As outlined, the Department’s Resource expenditure is necessary to meet statutory, contractual, and other inescapable policy obligations and spend, and as such there is minimal scope to allocate the Department’s 2025-26 Resource Budget differently. The Budget allocation approach taken in 2025-26, like previous years, will maximise use of the Department’s limited Resource allocation, to avoid any adverse impacts on Section 75 groups.

Given the scale of the financial challenge faced in 2025-26, Resource funding to councils and other funded organisations will be maintained predominantly at 2024-25 levels.

The Department has not identified any adverse or disproportionate impacts on people in Section 75 categories, related to this Budget allocation decision. However, views are welcomed through the EQIA on any adverse or disproportionate impacts, and how these could be mitigated.

**viii. New Build Social Housing and Other High Priority Capital**

The provision of New Build **Social Housing** is a priority for the Minister, but the 2025-26 capital allocations will have a significant detrimental impact on the numbers of new social homes that can be built through the Social Housing Development Programme in 2025-26. This Programme is the means to counter increasing housing waiting lists, which are currently at record levels. The target for 2025-26 was 2,000-unit new starts, however the opening Budget allocation only provided for 1,000 new starts. Additional allocations in-year have increased this to support in the region of 1,750-unit new starts in 2025-26.

The **Affordable Warmth Scheme** addresses the effects of fuel poverty and energy inefficiency and is directed at low-income households. The proposal to allocate £2.5m (plus honouring grant offers already made of £5.0m in 2025-26) would allow approximately 480 additional approvals to be made in 2025-26.

Given the shortfall on the Department’s Capital DEL 2025-26 requirements, the Department’s assessment of the likely impact of its Capital allocations upon those within Section 75 categories identified the following potential adverse impacts:

Group	Impact
Religious Belief	<p>The 2021 Census breakdown of religious belief in NI showed that 44% of the population are Protestant, 46% Catholic, 1% other religions and 9% no religion. An Equality Commission study for 2021<sup>19</sup>, showed that 43.5% of the workforce was Protestant, 43.4%, was Catholic and 13.1% were “non-determined”.</p> <p>With the exception of housing, there is very little available evidence to indicate that the constrained Capital allocations would result in a negative or positive differential in relation to religious belief.</p> <p>Shifting demographics, spatial segregation in residential communities, not least in neighbourhoods dominated by social housing, and difficulties in delivering new housing supply make for significant inefficiencies in the local housing system. The complexity of these issues demands more comprehensive analysis in respect of demand for social housing and the barriers and enablers of meeting social housing needs at different spatial scales over time. Understanding the circumstances and perspectives of people from other, or indeed unknown, religions is also important as the</p>

<sup>19</sup>

<https://www.equalityni.org/ECNI/media/ECNI/Publications/Delivering%20Equality/FETO%20Monitoring%20Reports/No32/MonReport32.pdf>

	<p>changing composition of Northern Ireland, particularly in some locations, warrants further examination. With limited descriptive data, this analysis observed the following community differentials:</p> <ul style="list-style-type: none"> <li>- Using Northern Ireland data, Catholic households wait longer than Protestant households to be allocated social housing and are allocated proportionately fewer homes, despite comprising a greater proportion of the waiting list and a greater proportion of applicants in housing stress.</li> <li>- Community differentials in terms of proportionate allocations may have narrowed over time for a variety of reasons, reflecting population shifts and changes in self-identification, but lengthening waiting times for social housing have been uneven, disproportionately affecting applicants from other religions and Catholics.</li> <li>- These patterns are complicated by the fact that dual housing markets exist with different pressures on housing demand and supply in different locations. In areas with the greatest shortages of new social housing supply, Catholic applicants wait the longest prior to being allocated a home; except in North Belfast, where people from other or unknown religions wait the longest.</li> <li>- In terms of housing conditions, people from other religions or no religion have the smallest homes in terms of square metres and experience the most overcrowding, despite the fact that the average Catholic household is slightly larger (in terms of family size) than households from other religions. However, Catholics comprise the largest proportion of people in overcrowded homes.</li> <li>- People from other religions, mixed religions or no religions are the most likely to live in non-decent homes, and Catholic households the least likely.</li> </ul> <p>The Department's constrained Capital allocation and resulting Budget policy are likely to disproportionately impact on people identifying as Roman Catholic, as well as people from other religions.</p>
Political Opinion	<p>In Census 2021, 814,600 people (42.8%) living here identified solely or along with other national identities as 'British'. This is down from 876,600 people (48.4%) in 2011. The Census also found,</p>

	<p>634,600 people (33.3%) living here identified solely or along with other national identities as 'Irish'. This is up from 513,400 people (28.4%) in 2011. Finally, the Census 2021, identified 598,800 people (31.5%) living here as solely or along with other national identities 'Northern Irish'. This is up from 533,100 people (29.4%) in 2011.</p> <p>There is insufficient data or existing evidence to draw any conclusions about the relationship between housing and other priority Capital requirements and people with different political opinions.</p>
Race	<p>The 2021 Census recorded that 3.5% (66,600) people were from ethnic minority groups.</p> <p>With the exception of housing, there is very little available evidence to indicate that the constrained Capital allocations would result in a negative or positive differential in relation to racial groups.</p> <p>Data limitations constrain the precise understanding of how similar or divergent different ethnic groups' circumstances may be, but the data<sup>20</sup> and literature review highlighted certain differentials as follows:</p> <ul style="list-style-type: none"> <li>• Lower proportions of Black residents and those from the EU Accession countries are in homeownership and among minority ethnic and migrant groups there is a higher prevalence of private renting.</li> <li>• Access to social housing varies between different minority ethnic groups, with some minorities (African and households of mixed ethnicity) waiting longer than the White population, and some groups (Chinese, Irish Travellers and households of other ethnicity) a shorter length of time than White applicants before being allocated a home. It is uncertain whether these are persistent or newly emerging patterns as data is limited.</li> <li>• Access to quality transit and settled sites for Irish Travellers is limited and although they do not wait a long time for social housing, this is not always their first choice</li> </ul>

<sup>20</sup> [HSS: Draft EQIA \(communities-ni.gov.uk\)](https://www.communities-ni.gov.uk) - [Housing Supply Strategy 2024 - 2039](#) subsequently approved by Executive on 5 December 2024

	<p>of home. Irish Travellers experience a serious lack of basic amenities on some sites, identified as a persistent theme.</p> <ul style="list-style-type: none"> <li>• People from minority ethnic backgrounds, particularly Black people and Irish Travellers, experience significantly more overcrowding than other White people, especially in housing association and private rented sector properties.</li> <li>• Racial attacks on people from minority ethnic communities' homes is a critical concern, with implications for the safety of the home.</li> </ul> <p>The Department's constrained Capital allocation for Housing and resulting Budget policy are likely to disproportionately impact on people from different race groups.</p>
Age	<p>The local charitable sector provides specific services to meet the needs of different age groups: e.g.</p> <ul style="list-style-type: none"> <li>- 26% of charities provide services in support of older people.</li> <li>- 8% of charities provide services in support of carers.</li> <li>- 48% of charities provide services in support of children (5- 13)</li> </ul> <p>Indicators of inequalities for different age groups were found as follows:</p> <ul style="list-style-type: none"> <li>• Poor physical housing conditions in Northern Ireland's stock have declined but older people remain more likely to have inadequate non-decent housing conditions than younger age groups.</li> <li>• Homeownership contains the largest pool of older people in poor housing conditions. Previous reports have highlighted this differential suggesting it is a persistent problem.</li> <li>• Outright ownership is associated with a reduction in the incidence of relative poverty once housing costs are taken into account for older homeowners.</li> <li>• Homeownership's poverty reducing qualities in old age are well documented, a function of the front loading of housing costs in this tenure.</li> </ul>

	<ul style="list-style-type: none"> <li>• Private renting is associated with a significant increase in poverty after housing costs for people aged 16 to 24 years old.</li> <li>• Young people are also more likely to suffer from underfunding of the arts and sports sector.</li> </ul> <p>The Department's constrained Capital allocation for Housing, Affordable Warmth, Regeneration and Culture, Arts and Heritage, Sports and Green growth, and the resulting Budget policy are likely to disproportionately and adversely impact on people of different ages.</p>
Marital Status	<p>There were 693,000 adults who were married or in a civil partnership in Census 2021. This made up 46% of our population aged 16 and over. In contrast 577,000 adults (38%) were single (never married/civil partnered).</p> <p>With the exception of housing, there is very little available evidence to indicate that the constrained Capital allocations would result in a negative or positive differential in relation to marital status.</p> <p>Marital status is rarely a focus of housing studies, but data resources do allow some examination of different people's housing outcomes. Marital status does not, however, neatly align with people's living arrangements, which can be more influential than status alone. Some trends were apparent that placed some households, those likely to include more single income households, at a potential disadvantage in the housing market. The following differentials were observed:</p> <ul style="list-style-type: none"> <li>• Single, divorced and separated people experienced poorer housing conditions than married people, especially in the private rented sector, with divorced and separated people having the highest incidence of non-decent homes.</li> <li>• Single people (and couples without children) had the highest incidence of negative equity, following the housing market downturn, with resulting constraints on mobility and remortgaging. But married and divorced or separated people are likely to experience greater sums of negative equity.</li> </ul>

	<ul style="list-style-type: none"> <li>• Age and cohort effects may influence some of these outcomes but the impact of relationship breakdown on housing outcomes is underexplored.</li> </ul> <p>The Department's constrained Capital allocation and the resulting Budget policy are likely to disproportionately and adversely impact on people of different marital status.</p>
Sexual Orientation	<p>In the 2021 Census 2021, in total 31,600 people aged 16 and over (or 2.1%) identified as LGB+ ('lesbian, gay, bisexual or other sexual orientation'), 1.364 million people (90.0%) identified as 'straight or heterosexual' and 119,000 people (7.9%) either did not answer the question or ticked 'prefer not to say'.</p> <ul style="list-style-type: none"> <li>• 4.1% of adults (1 in 25) in Belfast identified as LGB+, while 1.1% of adults in Mid Ulster identified as LGB+.</li> <li>• 4.6% of people aged 16 to 24 identified as LGB+, this falls to 0.3% of people aged 65 and over.</li> <li>• Across England, Wales and Northern Ireland, Northern Ireland (2.1%) has the lowest percentage of people who identify as (LGB+), thereafter comes Wales with 3.0% of people who identify as LGB+ and then England with 3.2%.</li> </ul> <p>Generally, attitudes towards lesbian, gay or bisexual (LGB) people have softened considerably in Northern Ireland over the last decade (as reported in the Equality Awareness Survey, 2011) and stakeholders noted parallel improvements in agencies' approaches to meeting the needs of LGB people.</p> <p>There is insufficient data or existing evidence to draw any conclusions about the relationship between housing and other priority Capital requirements and people with different sexual orientations.</p>
Gender	<p>In the 2021 Census, the census day population comprised of 967,000 females and 936,100 males. This means that for every 100 females in Northern Ireland there were 96.8 males.</p>

Arts Council NI data shows that the majority of artists within the sector who responded identified as female (including transgender women) at 2,414 (52%) in 2020-21 and 2,913 (53%) in 2021-22. Males working in the sector represent the second largest group at 2,193 (47%) in 2020-21 and 2,547 (46%) in 2021-22. The workforce in the arts is typically characterised as having a slightly greater proportion of females to males working in the sector. Interestingly, there were slightly more applications from males than females across the emergency funding programmes.

Differentials in the housing outcomes of people of different gender were apparent in the following circumstances:

- Overall, households with female household reference persons have smaller homes and are more frequently in rented accommodation than households with male household reference persons. Single women that live alone, however, obtain larger homes and are more frequently in owner-occupation than single men living alone, suggesting that intersections with dependants, marital status or living arrangements and income is important to housing outcomes.
- Other households of female household reference persons are more frequently found in social housing than those of male household reference persons. Lone parents were overwhelmingly female and predominantly in either the private or social renting sector.
- Older women more frequently experience poor housing conditions than older men in rural areas, while in urban areas the situation is reversed and older men experience poorer housing conditions than older women.
- Rates of relative poverty in the private rented sector increase once housing costs are taken into account more for women than men; but rates of relative poverty are reduced for women more than men, when the minimal housing costs in outright homeownership are considered.

	<p>The Department's constrained Capital allocation for Housing, Affordable Warmth, Regeneration and Culture, Arts and Heritage, Sports and Green growth, and the resulting Budget policy are likely to disproportionately and adversely impact on people of different genders.</p>
<p>Disability</p>	<p>In the 2021 Census, in total 1.497 million people, or just under four persons in every five (78.7%), indicated they had 'Good or very good' general health. The standard of general health falls with age. While less than 1% of people aged under 15 had 'Bad or very bad' general health, this rises to 17% of people aged 65 or more. In contrast nearly 97% of people aged under 15 had 'Good or very good' general health, this falls to half of people aged 65 or more One person in four (24.3% or 463,000 people) had a limiting long-term health problem or disability, 40% of which were aged 65 or more (185,300 people).</p> <p>Northern Ireland has a slightly higher proportion of people with disability or life limiting conditions than in Great Britain. There is a large interaction between disability and older age and shared concerns about access to housing adaptations for older infirm people, but this should not mask inequalities experienced by smaller populations of people with learning disabilities and younger disabled people whose desires to live independently are not always achieved.</p> <p>Key indicators of inequalities between disabled and non-disabled people were found in the following circumstances:</p> <ul style="list-style-type: none"> <li>• The ability of people with learning disabilities to live independently away from parents and/or congregated institution-like settings is a persistent inequality not experienced by non-disabled people.</li> <li>• There is a strong association between older people and disability; disabled people are also more likely to live in poor housing conditions than households with no disabled members.</li> <li>• Disabled people of all ages face delays in securing occupational therapists and funding to ensure their homes are adapted</li> </ul>

	<p>to meet their needs, especially in the private market.</p> <p>The Department's constrained Capital allocation for Housing, Affordable Warmth, Regeneration and Culture, Arts and Heritage, Sports and Green growth, and the resulting Budget policy are likely to disproportionately and adversely impact on people with disabilities.</p>
<p>Dependents</p>	<p>The 2021 NI Census indicated that 29% per cent of households in Northern Ireland contained dependent children and 45% contained at least one person with a long-term health problem or disability.</p> <p>With the exception of housing, there is very little available evidence to indicate that the constrained Capital allocations would result in a negative or positive differential in relation to people with dependants.</p> <p>Some differentials found were as follows:</p> <ul style="list-style-type: none"> <li>• Low-income families are increasingly found in private renting, where they lack security of tenure, rather than social housing.</li> <li>• Housing costs of private renting increases the rate of relative poverty among households with dependants by 27 percentage points compared to five percentage points for households without dependants.</li> <li>• The proportion of non-decent homes for families in the private and social rented sectors was the same in 2009, but households without dependants in the private rented sector experienced poor conditions, with the highest rate of non-decent homes.</li> <li>• Households with dependants are more likely to live in overcrowded social housing homes, especially lone parents and multi-adult households that may include dependent children, with the potential for adverse impacts on household members.</li> <li>• Interactions with religion and ethnicity are likely here as Catholic and Black residents also experienced higher rates of overcrowding in social housing.</li> </ul>

	<p>The Department's constrained Capital allocation and the resulting Budget policy are likely to disproportionately and adversely impact on people whether or not they have dependents.</p>
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## **4. Consideration of Mitigation Measures**

- 4.1. Like other departments, the Department faces a constrained financial position in 2025-26. In the context of delivering public services with constrained allocations and other inescapable pressures, the Minister has invested considerable time and effort to consider the 2025-26 Budget allocations to maximise and best support public service delivery. Work is also ongoing, as far as is possible, to drive out any efficiencies to help support the Department in both the current and future financial years.
- 4.2. The promotion of equality of opportunity and good relations is an important part of ongoing policy development, legislative activities, and operational programmes. In managing the Resource and Capital Budget allocations, the Minister will make every effort to protect front line service delivery and the sectors the Department supports.
- 4.3. Taking onboard available data and EQIA responses, the Minister has sought to ensure that the Department's Budget allocations are applied as far as possible in a manner that does not disproportionately or adversely affect one Section 75 category over another.
- 4.4. Following careful consideration, the following areas have been identified and progressed by the Department in 2025-26 to mitigate the impact of the Department's constrained Budget 2025-26 allocations. However, it should be noted that the Department's ability to mitigate the potential adverse impacts of its constrained 2025-26 Budget has largely only been possible through the additional funding provided to the Department by the Executive in the June 2025 and December 2025 Monitoring Rounds as well as the additional allocation in February 2026.

## **Budget 2025-26 Mitigations Progressed**

### **i. New Build Social Housing**

The Department's Opening Capital Budget for New Building Social Homes only allowed for around 1,000 New Build Social Home starts in 2025-26. As the provision of New Build Social Housing is a priority for the Minister, additional funding has continued to be sought through the in-year Monitoring Rounds to increase the number of new social homes that can be built through the Social Housing Development Programme in 2025-26. This Programme is the means to counter increasing housing waiting lists, which are currently at record levels.

As a result of continued efforts, supported by Executive funding, the Department has been able to secure and allocate an additional £38.8m to the NI Housing Executive for New Build Social Housing in 2025-26. This will enable total delivery of circa 1,750 houses in this financial year. This falls short of the Department's target for 2025-26 of 2,000-unit new starts, however this is a positive outcome when compared to the Department's 2025-26 Opening Budget position.

The Department will continue to seek additional funding throughout 2025-26 and for future years to tackle the housing challenge, and to mitigate adverse impact across all Section 75 groups.

### **ii. Disabled Adaptations**

The Department has historically funded NI Housing Executive Disabled Adaptations, and other Landlord programmes, from House & Land Sales capital receipts. However, it was not possible for the Department to authorise the retention of capital receipts in 2025-26, which has resulted in NIHE having to fund disabled adaptations

expenditure from their own Stock Investment Reserve. This has led to a reduction in the funding available to maintain properties.

By securing an additional £10.5m of Capital funding, the Department is able to progress further priority improvement works to adapt NIHE properties for tenants living with a disability, as recommended by an Occupational Therapist.

iii. **Building Safety Scheme**

Following the Grenfell disaster and Hackitt reports, it was agreed that DfC would be responsible for Residential Building Safety within central government, to improve the system associated with High-Rise Residential Buildings. To ensure that parity is maintained and that residents in Northern Ireland are provided with the same level of residential building safety as the rest of the UK, it was agreed by the Head of the Civil Service and DoF that the budget to cover all associated costs would be allocated to DfC.

In securing £8.6m of additional funding, the Department can continue to improve the safety of all residents within high-rise residential buildings in Northern Ireland, and maintain parity with the rest of the UK.

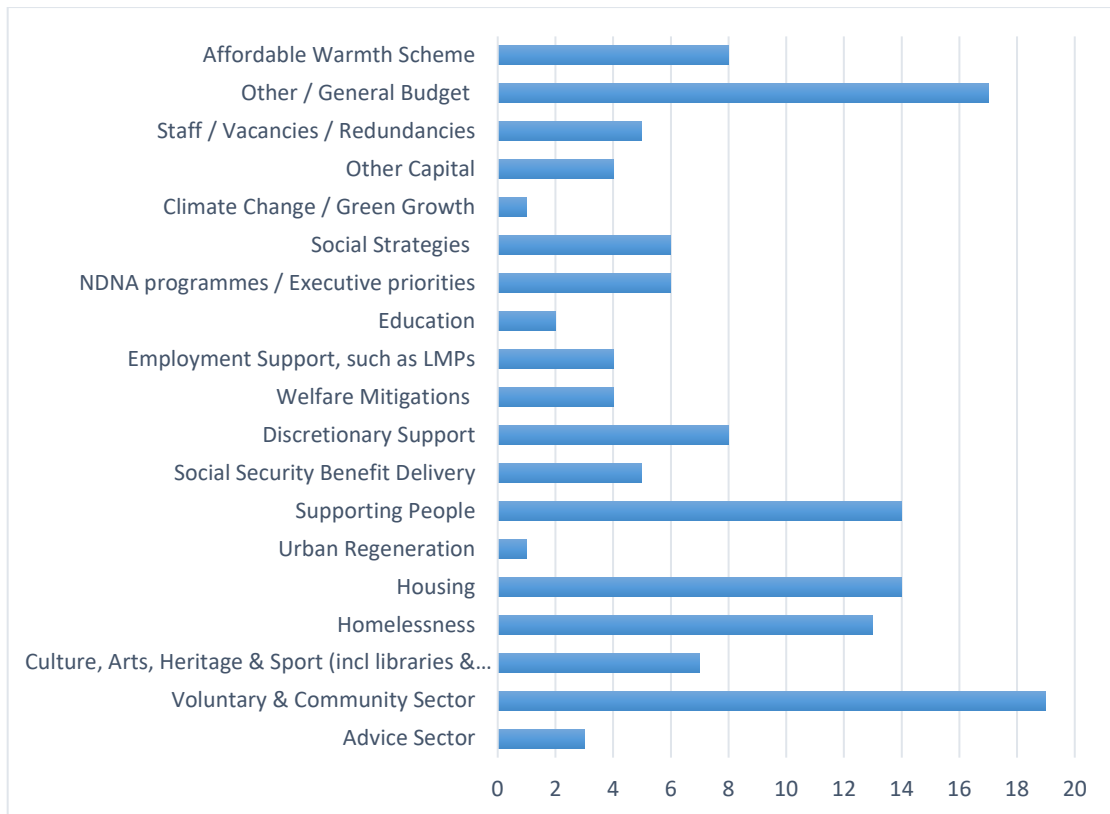
- 4.5. In allocating the 2025-26 Budget, the Minister has carefully considered 2024-25 consultation responses, its statutory, legislative and contractual obligations, continued demand for public service delivery, the availability of both Resource and Capital funding and potential for any adverse impact on Section 75 groups. It is however deeply regrettable that the Department's constrained 2025-26 Budget has limited the additional funding the Department can allocate to extending its employment programmes, tackling fraud and error, to its Arm's Length Bodies and other vital sectors the Department supports.

4.6. The final Budget 2025-26 decisions taken by the Minister have considered available data and responses received during the 2025-26 consultation and the available funding, to mitigate the impacts of the Budget allocation on the Section 75 groups and the most vulnerable in our society.

## 5. Consultation

- 5.1. The Department would like to take this opportunity to thank all those who participated in the DfC Budget 2025-26 EQIA consultation process. The invaluable input and expertise received through your responses has helped to inform and shape the Department's final Budget 2025-26 allocations to its business areas, Arm's Length Bodies and 3rd party funded organisations, and mitigations that could be put in place. The responses received will also be used to consider any further mitigation measures or direct any additional funding which may emerge over the remainder of the financial year. The Department's Budget 2025-26 Draft EQIA was published for public consultation on 15 May 2025 and closed on 7 August 2025. During the consultation period, a total of 31 responses were received. This included 27 responses from organisations / sectors and groups and 4 responses from private individuals. No postal responses were received.
- 5.2. As the proposed Budget 2025-26 allocations span the diverse functions of the Department, respondents had differing priorities with a wide range of views expressed. The views of respondents have been summarised into 18 key themes.
- 5.3. The graph below summarises the numbers of concerns raised against each key theme, with most respondents raising concerns on a number of themes.

*Graph 1: Summary of EQIA respondent concerns by Theme*



5.4. All EQIA consultation responses and feedback received have been analysed with the key issues being summarised and presented with the Department's response at **Appendix B**.

5.5. For the most part, respondents agree with the inequalities identified and the Section 75 categories affected in the draft EQIA. In addition to the potential for adverse impacts on Section 75 categories, the consultation responses received also highlight the high level of concern from both organisations and individuals on the impact of the Department's constrained 2025-26 Budget position on all aspects of public service delivery, and the people and communities the Department supports.

## 6. Decisions and Publication

- 6.1. In keeping with this Department's commitments under its Equality Scheme, any adverse differential impact on equality of opportunity or good relations identified through this assessment process has been considered in informing the Department's final Budget 2025-26 allocations and will also be used to inform further development of mitigations, revised Budget allocations and future bids, should the opportunity arise.
- 6.2. The Department has sought to ensure that allocations are applied as far as possible in a manner that does not disproportionately or adversely affect one Section 75 category, over another. The Department has also sought to promote equality of opportunity and protect services to minimise, as much as possible, the adverse impacts to the most vulnerable.
- 6.3. The final decisions made, in line with the measures set out in the EQIA, include:
- Progression of recruitment of staff for statutory social security benefit and pensions delivery, including the Move to Universal Credit.
  - Homelessness and Supporting People Programme funding increased by £3.7m above the 2024-25 Budget position, to help bring forward new and extended services which align to the 3 year Supporting People Strategy and aim to prevent homelessness. This is in addition to the £4.8m uplift in 2024-25, on the 2023-24 Final EQIA Budget position.
  - Voluntary and Community Sector funding increased by a further £2.8m on the Department's 2024-25 funding level, following a £1.45m increase in 2024-25.
  - An additional £3.7m allocated to the Department's Arm's Length Bodies in 2025-26, above their 2024-25 funding level, to help fund the increase in Employers National Insurance Contributions from April 2025;

- An additional allocation for National Museums NI and Libraries to support operational stability and continued public accessibility to key cultural and educational institutions;
- Maintaining the Discretionary Support Grant Budget at £25.5m for 2025-26, to ensure support is available for eligible people facing financial crisis;
- Resource funding to councils and other funded organisations to predominantly remain at 2024-25 levels;
- No increased investment in tackling rising levels of welfare fraud and error, given the absence of parity funding;
- A £2.5m allocation to Affordable Warmth approvals to improve energy efficiency in the homes of low-income households;
- A £4.2m allocation to a range of urban regeneration and neighbourhood renewal projects to create town and city centres in which people want to live, shop, work or visit; and
- A £6.7m allocation across a wide range of cultural, heritage and active community projects to help promote health and wellbeing across all S75 groups.

6.4. Whilst these difficult decisions have been required by the Department to live within its constrained Budget allocation, to mitigate the worst impacts of the Budget allocation on the Section 75 groups, the Department has:

- **Secured an additional £38.8m to the NI Housing Executive for New Build Social Housing** - to enable total delivery of 1,750 houses in this financial year.
- **Secured an additional £10.5m of funding for NIHE Disabled Adaptations** - for priority improvement works to adapt NIHE properties for tenants living with a disability.
- **Secured £8.6m of funding for the Building Safety scheme** – to ensure that parity is maintained with Great Britain, and residents in Northern Ireland receive the same level of residential building safety as the rest of the UK.

- 6.5. All decisions have been considered and taken in compliance with relevant statutory, legislative, and policy requirements and obligations. However, **in taking these decisions, the Department continues to manage significant Resource and Capital shortfalls in the demand for public service delivery.**
- 6.6. Promotion of equality of opportunity and the protection of services to vulnerable groups has been a key consideration in the Department's final Budget decisions. Where necessary, further consultations and equality screening will be considered, as appropriate.
- 6.7. The Department's EQIA final decisions will be published and will also be posted on the Department website.

## 7. Monitoring

- 7.1. Schedule 9 of the Northern Ireland Act 1998 requires that a system be established to monitor the impact of the final policy in order to find out its effect on the relevant groups within the equality categories.
- 7.2. The Department has established systems in place to monitor the impact of public spending on the delivery of public services, including Section 75 screening and Section 75 impact monitoring templates. This work continues, with the Department aiming to ensure that allocation of its constrained 2025-26 Budget, achieves better outcomes for the relevant equality groups. If this monitoring and evaluation shows that the revised policy results in greater adverse impact than predicted, or if opportunities arise which allow for greater equality of opportunity to be promoted, the Department will revise the policy accordingly.
- 7.3. For all NICS departments, including DfC and organisations funded by the Department, the lack of stable Budgets has historically impacted on the ability to plan for longer-term delivery of public services. The last multi-year Budget for Northern Ireland was for 2011-15. However, following the Chancellor's announcement of the Spending Review 2025, covering the period 2026-2030, the Executive will be in a position to progress a multi-year Budget for Northern Ireland for the first time in ten years. This will provide departments with greater certainty to plan and deliver services over the medium term.
- 7.4. There is an urgent need for a strategic, long-term approach to all public services in Northern Ireland, including overdue reform to place Northern Ireland on a sustainable footing. This was recognised in the 'New Decade New Approach' agreement, in Executive's commitment to Transformation and the drafting and agreement of the Programme for Government 2024-2027 'Our Plan: Doing What Matters Most'.
- 7.5. The Department, working closely with its delivery partners, has sought to mitigate the most significant and adverse impacts of its constrained 2025-26 Budget allocation across the vast array of public services and support delivered by the Department. Whilst the Department's priority remains supporting the most vulnerable and at-risk in our society, difficult decisions have had to be made to live within the funding available. Work will continue to understand the impacts of the 2025-26 Budget allocations,

including mitigations put in place, on all public service delivery supported by the Department. This work will form the robust evidence base and critical basis on which funding allocations for the 2026-2030 financial years will be determined.

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