



Department for  
**Communities**

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**Commonities**

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# Budget 2024-25 Equality Impact Assessment (EQIA)

Final Report

May 2025

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## Executive Summary

Following the Northern Ireland (NI) Executive's setting of the NI Budget 2024-25 on 25 April 2024, the Department for Communities (hereinafter referred to as 'the Department') faced a very constrained financial position.

With regards Non-Ring-Fenced Resource, the Department submitted £128.8m of bids for 2024-25 and was provided with a General Allocation of £13m, resulting in a £115.8m (-17%) Non-Ring-Fenced Resource shortfall.

Regarding Capital, the Department received a net allocation of £133.4m, which included £18m of Earmarked allocations and a general allocation of £115.4m. The Department's Net Capital DEL allocation of £133.4m results in a £167.3m (-48.5%) shortfall on the Department's Capital DEL bids submitted for 2024-25.

To live within Budget, very difficult initial decisions were taken by the Minister for Communities to live within the Department's 2024-25 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 2024-25 financial year.

The EQIA was drafted and published for public consultation on 11 June 2024 to collate views from interested stakeholders. Following 12-week consultation period, the Department's EQIA closed on 3 September 2024. The consultation page is located at:

<https://www.communities-ni.gov.uk/consultations/consultation-department-communities-budget-2024-25-allocations>

There were seven stages in the Department Budget 2024-25 EQIA process:

Stage 1 - Definition of the policy aims

Stage 2 - Consideration of available data and research

- 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 92 consultation responses received and issues raised, to inform the Department's decisions on final budget allocations. Consultation responses and learnings from the Department's 2023-24 prior year Budget 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 2024-25 Budget. This includes consideration of measures, within the Department's constrained 2024-25 Budget allocation, to mitigate adverse impacts of the Budget.

Responses to the Department's Budget 2024-25 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 2024-25 funding allocation.

The Department has 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 has had to decide how it can best balance the challenges presented by its constrained Budget and tight financial timescales, with its own desire to hold a meaningful 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 on 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 2024, October 2024 and January 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 2025-26 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:

- Continuing to manage departmental vacancy control with 695 full time equivalent (fte) unaffordable posts remaining vacant in 2024-25.
- Supporting People Programme funding increased by £4.8m above the 2023-24 Final EQIA Budget position, to help ensure continued viability of the programme.
- Voluntary and Community Sector funding increased by £1.45m on the Department's 2023-24 Final Budget position.
- Only inescapable Resource pressures funded in the Department's Arm's Length Bodies;
- Labour Market Partnership employment funding programme held at 2022-23 levels;
- £3.1m for the Rates Support Grant (£1.8m less than last year);

- No extension of the Department's JobStart Scheme (aged 16-24) or other parity employment support interventions, given the absence of parity funding;
- No increased investment in tackling rising levels of welfare fraud and error, given the absence of parity funding;
- The Department's Opening Capital Budget for New Building Social Homes only allow for up to 400 New Build Social Home starts in 2024-25; and
- £2m allocation to Affordable Warmth – this would allow approximately 360 additional approvals to be made in 2024-25.

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:

- **Allocated £6.7m to the NI Housing Executive including Homelessness** – to prevent the risk of homelessness service closures and to ensure that statutory obligations can continue to be met;
- **Allocated £4.1m to the Department's other funded Arm's Length Bodies** – to meet inescapable costs related to salaries, site maintenance, libraries book stock and delivery of services;
- **Increased the Department's Discretionary Support Grant Budget to £25.5m (a £3.5m increase on the Opening Budget)** – to ensure the Department can continue to meet the high demand from people facing financial crisis, given the absence of cost-of-living payments this year and pressures on households;
- **Allocated an additional £48.5m to the NI Housing Executive for New Build Social Housing** - to enable total delivery of 1,420 houses in this financial year; and
- **Increased the total allocation to Affordable Warmth to £7.9m** – to allow in the region of 2,120 approvals to be made in 2024-25.

In taking these decisions, the Department has carefully considered responses to the consultation, its statutory and contractual obligations, Minister's 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 continued high demand for Discretionary Support Grant assistance given many people continue to financial hardship, 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 2024-25 allocation to the Department met these criteria and required an EQIA.
- 1.7. The purpose of the Department's Budget 2024-25 Equality Impact Assessment (EQIA) was to:
- Present the context under which budget reductions were deemed necessary.
  - Share the initial decisions taken by the Minister for Communities to live within the Department's 2024-25 Budget allocation.
  - Highlight the potential impact of those decisions on the services and supports 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 2024-25 - Context**

- 1.8. This section sets out the Department's initial assessment of the equality impacts of the Budget on spending proposals for the 2024-25 financial year.
- 1.9. It is important to note that the Department's Budget 2024-25 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 NI Budget agreed by the Executive for 2024-25, 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;
- 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)
- Museums and Galleries NI (known as 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 2024-25**

- 1.13. The Department of Finance commissioned the Executive's Budget 2024-25 Exercise on 18 February 2024. Returns were requested from departments by 29 February 2024, including Executive Earmarked requirements, Non-Ring-Fenced Resource Bids, and Capital requirements
- 1.14. The collated Budget 2024-25 Exercise funding requests from all departments far outweighed the funding available for allocation, three times more for day-to-day funding (Resource DEL) and one and a half times more for Capital DEL.
- 1.15. When the Executive agreed Budget 2024-25, the Resource DEL funding available for allocation totalled £15,247m for 2024-25. Resource spending covers the day-to-day costs of public services and administration, plus debt interest. It is largely financed by the UK Block Grant (which comprises a core element determined by the Barnett formula plus 'non-Barnett additions' that include financing for political agreements), with a much smaller contribution from the Regional Rates.
- 1.16. Similarly, for Capital the funding available for Executive allocation totalled £2,149.6m for 2024-25, made up of £2,087.4m of Conventional Capital and £62.2m Financial Transactions Capital. Capital spending covers investment in infrastructure, plant, and machinery. It is largely financed from the Block Grant, plus capital borrowing under the Reinvestment and Reform Initiative (RRI), which is limited in amount by legislation and agreement with HM Treasury.
- 1.17. The Executive considered and set the NI Budget 2024-25 on 25 April 2024 and as outlined by the Finance Minister, no department received the level of funding they bid for. In terms of the challenge faced in 2024-25, after Executive Earmarked requirements were met, the NI Block grant pressure on Resource DEL totalled £2.2 billion and £1 billion on Capital, when compared against Departmental requirements.

1.18. The context of setting Budget 2024-25 was very difficult, with significant challenges faced by all departments to manage the forecasted level of pressures in 2024-25.

### **Interim Fiscal Framework**

1.19. It is positive that a level of additional funding has been secured from 2024-25 onwards, for Executive allocation to departments. The announcement by the Finance Minister on 21 May 2024, following negotiations with Treasury on a new Interim Fiscal Framework, saw the introduction of a new needs-based funding formula applied. This means that Northern Ireland now receives an uplift in the Barnett formula where funding falls short of its relative need per head.

1.20. Treasury agreed to a 124% needs-based adjustment factor being applied from the date of the 3 February 2024.

### **Department for Communities Budget 2024-25 Allocation**

1.21. The Executive's Budget 2024-25 settlement of 25 April 2024 provided the Department with an Opening Budget of £856.0m Resource DEL, £133.4m Capital DEL and £29.8m Financial Transactions Capital (FTC). Table 1 details the Department's Budget 2024-25 allocations against Budget 2023-24 opening allocations.

**Table 1 – DfC Budget 2024-25 allocations against 2023-24 allocations**

<b>DfC Budget Position (£m)</b>	<b>2023-24 Allocation</b>	<b>2024-25 Allocation</b>	<b>Change</b>
<b>Resource DEL – Non-Ring Fenced</b>	702.1	681.0	-3.0%
<b>Resource DEL – Earmarked</b>	159.5	175.0	9.7%
<b>TOTAL RESOURCE</b>	861.6	856.0	-0.6%
<b>Capital DEL</b>	216.1	133.4	-38.3%
<b>Financial Transaction Capital</b>	25.6	29.8	16.4%

- 1.22. The Department's 2024-25 Non-Ring-Fenced Resource Opening Budget allocation reflected a £21.1m (3.0%) reduction on 2023-24 Resource DEL. This change can mostly be explained by the removal of De-Rating Grant funding (£33.7m) which the Executive has now categorised as Earmarked and a General Allocation of £13m for 2024-25.
- 1.23. Within the Resource DEL position, Earmarked funding of £175m was provided for Welfare Mitigations, Housing Benefit Rates, De-Rating Grant, Office for Building Safety and PEACE PLUS funding. These Executive Earmarked allocations were provided in full, which has enable these provisions to continue in 2024-25 without cut and any adverse impact. It should be noted that Earmarked allocations are provided by the Executive, for purposes determined by the Executive and as such the departments have no ability to reduce and reallocate Earmarked allocations to offset pressures in other areas.
- 1.24. For 2024-25, the Department submitted £128.8m of Non-Ring-Fenced Resource DEL bids as part of the Budget 2024-25 Information Gathering Exercise. Against these requirements, only an £13m General Allocation noted above was provided in the Department's Opening Resource Budget position. This resulted in a £115.8m (-17%) shortfall in the level of Resource DEL funding required by the Department in 2024-25. Similar to 2023-24, when the Department faced a Non-Ring-Fenced Resource funding gap of £111.2m, managing a Resource shortfall of this scale undoubtedly presented significant continued challenges and adverse impact on the Department's ability to deliver public services in 2024-25.
- 1.25. The Department's Opening Capital allocation totalled £133.4m Net Capital for 2024-25. This reflected a £82.7m (38.3%) decrease in Net Capital when compared to the Department's 2023-24 Net Capital allocation of £216.1m. Furthermore, given the greatest proportion of the Department's budget provides for new build Social Housing, the Department's Opening Capital allocation was £167.3m (48.5%) short of the £345.1m forecast

requirement for 2024-25. Of the £133.4m net allocation, £18m is for Earmarked areas, with a general allocation of £115.4m.

1.26. In summary, the Department's 2024-25 Opening Resource and Capital allocations presented a very constrained and exceptionally challenging budget position. In managing opening allocations, the Minister firstly considered internal reductions and cuts on its own functions to protect others, prior to the need to consider reductions on its Arm's Length Bodies and 3<sup>rd</sup> party funded organisations, including the Voluntary and Community sector. However, with the scale of cumulative Budget reductions in recent years and actions already taken, an EQIA was deemed necessary given 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.

1.27. To add further context, very difficult and proactive actions have been taken over the last three years in order to live within budget, including:

- Reduction of the Rates Support Grant by £7m;
- Departmental staffing reductions equivalent to over 370 FTE posts (£14.8m);
- 2.5% cut (c.50 FTE staff or £2m) applied to all legacy benefit and pensions operational delivery staffing complements;
- Redeployment of staff and robust vacancy control, not filling 600 vacancies so as to not increase the Department's overall headcount, this is despite resource pressures, increasing workloads and critical vacancies;
- Curtailing discretionary and stopping all overtime spend apart from essential and out of hours requirements;
- Following policy change, reduced by 30% forecast Discretionary Support Grant expenditure, which supports people in financial crisis/hardship, despite significant increased demand due to the cost-of-living crisis;

- 20% reduction in the Labour Market Partnership Programme with Councils, despite high levels of economic inactivity and the largest disability employment gap in the UK;
- 5% reduction applied to the Department's Arm's Length Bodies;
- Exiting four office sites in the Belfast area which will generate recurrent cost reductions for the Department, and savings for the Department of Finance in future years; and
- Hybrid adaptations in offices to support New Ways of Working curtailed and only essential expenditure on accommodation and Digital Transformation has been progressed.

1.28. Further detail on the Department's Opening Resource, Capital and Financial Transaction Capital requirements, and the actions required to live within the Budget 2024-25 Resource and Capital allocations is provided below.

### **Resource Budget 2024-25**

1.29. The Department's 2024-25 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 (£84.2m) administered by the NI Housing Executive on behalf of tenants, and for continuing of existing Welfare Mitigations (£45.0m) which includes Social Sector Size Criteria (known as Bedroom Tax) and Benefit Cap mitigation.

1.30. Given over 85% of the Department's total Resource requirement in 2024-25 relates to areas of contractual, inescapable, and statutory spend, only the remaining 15% of the resource budget can be classified as discretionary with potential for reduction. However, a proportion of the discretionary funding requirement relates to other statutory and



contractual obligations related to Councils, Arm's Length Bodies, and voluntary bodies. Therefore, even with a continued focus on improving the efficiency and effectiveness of existing spending, there is limited scope to reduce funding over the budget period to help mitigate any adverse impacts on Section 75 categories.

1.31. In light of the extremely challenging Resource position and a £115.8m shortfall against 2024-25 requirements, to protect core public service delivery, the Department's Opening Resource allocations reflected the following decisions –

- a) Continued Departmental vacancy control with 600 fte (full time equivalent) posts unaffordable in 2023-24 will remain vacant in 2024-25. Funding for staff will reduce by a further 95 fte posts in 2024-25. This reduction will be delivered through 65 fte posts vacant in April 2024 and 30 fte related to attrition the financial year. Overall, this equates to 695 fte critical vacancies, predominantly related to social security benefit and pensions delivery, not being filled. This position reflects a 16% increase on the 600 critical vacancies not filled in 2023-24.
- b) The Minister values the vital role provided by the Voluntary and Community Sector. Given pressures on the sector, Voluntary and Community Sector funding was increased by £1.45m on the Department's 2023-24 Final EQIA Budget position funding level.
- c) 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 held the opening Homelessness Budget at the 2023-24 Final EQIA Budget position and provided a £4.8m (6.4%) increase in funding for the Supporting People Programme above the 2023-24 Final EQIA Budget position, to help ensure continued viability of the programme.

- d) The Department's funded Arm's Length Bodies carry out a range of important functions and deliver on the Department's strategic objectives. Despite the heavily constrained financial position facing the Department in 2024-25, Arm's Length Bodies Opening Resource funding was held at the Department's 2023-24 Final Budget position funding level.
- e) Given the current Cost of Living crisis, the ending of the UK Government's Cost-of-Living Payments, recent high levels of inflation and many people facing financial hardship, the Department's Opening Discretionary Support Grant Budget was topped up to £22m for 2024-25. This reflected a 10% increase on 2023-24 Final EQIA Budget position of £20m, or a 60% increase on the Department's historic Discretionary Support Grant Baseline of £13.72m.
- f) 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 with Councils to provide employment interventions at a local level. In setting the Department's Opening Resource Budget for 2024-25, the Minister committed to continuing Labour Market Partnership funding with Councils.
- g) Given the scale of financial challenge faced, the 2024-25 Rates Support Grant provided to Councils was set at £3.1m, a £1.8m reduction on the grant provided in 2023-24.

1.32. However, given the Department's constrained Opening Resource Budget with bids not being met for parity delivery of social security, similar to the Department of Work and Pensions in GB, work in the following areas was unable to progress –

- h) An extension of the Department's very successful JobStart Scheme (16-24), and other parity employment support interventions.
- i) Despite plans developed to increase investment in tackle rising levels of welfare fraud and error, similar to the Department for Work & Pensions, in the absence of additional funding and heavily constrained Budgets, progressing this additional investment has not been possible in 2024-25. This work had the potential to generate a significant Return on Investment and Annual Managed Expenditure (AME) savings.

1.33. Following these decisions (outlined at a) to i) above) the Department faced an Opening Resource funding gap of £11m to manage in-year, which is the equivalent of the funding required for 300 fte staff. Given this difficult funding position, the Department committed to further additional actions in-year, including;

- Continuing as far as possible to minimise all discretionary departmental expenditure;
- Continuing the further rationalisation and maximisation of the Department's office estate;
- Redeploying staff where necessary to protect core service delivery;
- Continually review Resource expenditure, and other options to make cuts to live within the Budget 2024-25 allocations. However, no material savings have been possible given the scale of cuts in recent years;
- Submitting bids for in-year Monitoring Rounds and for any other available funding available, such as Transformation funding; and
- Considering any further opportunities as they arise to live within budget.

## Capital 2024-25

1.34. The Department's Opening Net Capital allocation totalled £133.4m. This was a £82.7m or 38.3% decrease in Net Capital when compared to the Department's 2023-24 Net Capital allocation of £216.1m. Whilst this allocation has allowed the Department to meet its statutory obligations (such as Discretionary Support Loans, Funeral Loans and Health and Safety requirements) and inescapable Capital commitments (such as contractual commitment and tails on New Build Social Housing), the Department has faced a significant opening shortfall in funding available for other high priority Capital projects.

1.35. Considering the extremely challenging Opening Capital position, after inescapable requirements were met, taking proactive measures to manage the position, in tandem with managing a £10m overplanning position, only £21.975m 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) £15m allocation to **New Building Social Homes** – This opening allocation, together with capital funding for Shared Housing has allowed for up to 400 New Build Social Home starts in 2024-25.
- b) £2m allocation to **Affordable Warmth** – to allow approximately 360 additional approvals to be made in 2024-25.
- c) £3.3m allocation to a range of **urban regeneration** projects to create town and city centres in which people want to live, shop, work, or visit.
- d) £1.7m 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 2024-25**

1.36. The Department's Opening Financial Transaction Capital allocation was £29.8m in 2024-25, 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 2024-25. 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 2024-25 Budget EQIA consultation, and in assessing the impact of the Budget 2024-25 policy against obligations under Section 75 of the 1998 Act the Department has concluded that there is evidence of significant and adverse 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 2024-25 Budget position. This consideration has including utilisation of additional funding provided to the Department by the Executive in the June 2024, October 2024 and January 2025 Monitoring Rounds, 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, Community Background by Age; 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 Review 2021 and Autumn 2022 Budget, 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>1</sup>, the Department's Budget 2023-24 EQIA responses.

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<sup>1</sup> Audit of Inequalities - <https://www.communities-ni.gov.uk/sites/default/files/publications/communities/dfc-audit-of-inequalities-2012-2022.pdf>

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 2024-25 outcome on service delivery, the potential impacts of the Budget outcome on the various Section 75 groups and how any impacts could be mitigated.

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

- 3.1. The Department is committed to ensuring that it 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.

#### **2024-25 Budget**

- 3.3. Given the Department's Non-Ring-Fenced Resource funding gap of £115.8m (-17%) and £167.3m (-48.5%) shortfall in Capital in 2024-25, 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 2024-25 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 the constrained financial position, the Department firstly considered options for internal efficiencies, prior to considering the need to reduce or stop service delivery or the funding provided to its Arm's Length Bodies and 3rd party funded organisations. However, given the scale of the Department's Resource and Capital funding gap, cuts to the services and the supports the Department provides was inevitable.
- 3.5. The services and supports provided by the Department, initially proposed for reduction in the 2024-25 Budget allocations and subject to consultation were detailed in the Department's Draft EQIA, published on the DfC



website<sup>2</sup>. In summary, the functions and bodies identified as impacted by the 2024-25 Budget include –

- **Social Security Benefit and Pensions Delivery, including Child Maintenance**
- **Discretionary Support Grants**
- **Employment Support**
- **Supporting People (SP) Programme**
- **Homelessness**
- **Arm's Length Bodies**
- **Voluntary & Community Sector**
- **Rates Support Grant (RSG)**
- **New Build Social Housing and Other High Priority Capital**

3.6. Following the consultation, in assessing the impact of the Budget 2024-25 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. 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 very constrained 2024-25 Budget position.

3.7. It should however be noted that the Department's ability to mitigate the potential adverse impacts of its constrained 2024-25 Budget, has largely only been possible through the additional funding provided to the Department by the Executive in the June 2024, October 2024 and January 2025 Monitoring Rounds.

## **Section 75 Categories Potentially Impacted**

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<sup>2</sup> <https://www.communities-ni.gov.uk/consultations/consultation-department-communities-budget-2024-25-allocations>

- 3.8. As set out above, the actions initially proposed by the Department in the Draft EQIA to live within the Budget for 2024-25 are identified as having potential for adverse impact on all nine Section 75 categories. 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. Furthermore, where Budget reductions have been proposed, individual policy screenings and EQIAs will be progressed as necessary.

i. **Social Security Benefit and Pension Delivery, and Child Maintenance**

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. There have also been increases in the Department's pensions and disability benefit caseloads. DWP has recruited significant numbers of additional staff to administer their increased caseloads and in the 2021 Autumn Budget and Spending Review were allocated £900m each year (until 31 March 2025) to meet recruitment costs. Given the budget shortfalls DfC faced in 2023-24, and again for 2024-25, the Department continues to curtail recruitment to avoid creating a further Departmental pressure. This has left the Department operating with insufficient staffing levels which are presently impacting on operational delivery areas. Longer term continued failure to secure the funding necessary to appropriately resource benefit delivery including child maintenance and discretionary support services will lead to delays in benefit payments, impact on telephony and service delivery performance, and place working age customers in financial hardship. The need to prioritise new benefit claims to deliver statutory obligations will lead to slippage in lower priority areas, such as debt referrals and increase the overall debt stock and put at risk the Department's ability to safeguard public funds.

There is an immediate risk to service delivery given the additional staff required to deliver on the UK Government led Move to Universal Credit Programme, whereby all individuals on working age legacy benefits will be migrated to Universal Credit. The Move to Universal Credit in NI commenced in October 2023, and is necessary to maintain parity in statutory benefit delivery. There is a significant risk that if working age legacy customers here are not moved on to UC, the Department could become liable for the full IT costs associated with the maintenance and running of HMRC's National Tax Credit system and DWP legacy benefit systems. As part of closing tax credits activity, DWP and DfC have recently introduced legislation to provide for all payments of tax credits to cease. This will take effect from 5 April 2025. If the remaining circa 24,000 tax credits claimants in NI have not been migrated by this date, they will lose their access to welfare support. To mitigate the risk to NI tax credit claimants losing their access to welfare support and to maintain parity of social security the Department is aiming to deliver the Move to UC for tax credit claimants only within its existing staff complement. This position is not without significant risk and is greatly exacerbating the pressure already being felt in operational benefit delivery areas, is impacting on service delivery and places further risks to the well-being of staff.

The Department's assessment of the likely impact of Budget 2024-25 on Social Security Benefit and Pension (including child maintenance) delivery upon those within Section 75 categories, identified the following potential adverse impacts:

Group	Impact
Religious Belief	<p>The Department has no specific data to determine the impact of the overall budget and not filling staff vacancies on this group. 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 services benefit all eligible citizens across NI within this S75 group.</p>

	<p>However, in the absence of data, it is difficult to determine the impact(s) on this group of the Department's 2024-25 budget allocation. It is however probable that the policy would likely disproportionately impact on people identifying as Roman Catholic, as they are over-represented in deprived areas.</p>
Political Opinion	<p>The Department has no specific data to determine the impact of the overall budget and not filling staff vacancies on this group. 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 'Northern Irish'. This is up from 533,100 people (29.4%) in 2011.</p> <p>The Department's services benefit all eligible citizens across NI within this S75 group. However, in the absence of data, it is difficult to determine the impact(s) on this group of the Department's 2024-25 budget allocation.</p>
Race	<p>The Department has no specific data to determine the impact of the overall budget and not filling staff vacancies on this group. 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 reductions in Universal Credit.<sup>3</sup></p> <p>The Department's services benefit all eligible citizens across NI within this S75 group. In the</p>

<sup>3</sup> <https://policyinpractice.co.uk/we-can-do-better-women-welfare-and-the-gender-benefits-gap/>

	<p>absence of specific data on the impact of vacancies not being filled, it is difficult to determine the impact(s) on this group of the Department's 2024-25 budget allocation.</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 and in particular those aged 18 to 24, faced a particular disadvantage in the labour market and therefore could be adversely impacted by budget policy. This has been highlighted in researched reports from the Centre for Labour and Social Studies<sup>4</sup>, Chartered Institute of Personnel and Development<sup>5</sup>, European Economic and Social Committee<sup>6</sup>, City and Guilds<sup>7</sup> and the TUC<sup>8</sup>.</p> <p>The Budget policy is also likely to adversely impact on people of working age, given the greatest proportion of the Department's vacancies relate to Universal Credit delivery.</p> <p>The Department's services benefit all eligible citizens of all ages across NI. In the absence of data on the impact of not filling vacancies, it is difficult to determine the impact(s) on this group of the Department's 2024-25 budget allocation. However, degradation in services is likely and will directly impact upon working age and older people particularly those on low incomes.</p>
Marital Status	<p>The Department's services benefit all eligible citizens across NI within this S75 group. Whilst the Department has no specific data to determine the</p>

<sup>4</sup>[Labour Market Realities: Barriers Facing Young People | Blog | CLASS \(classonline.org.uk\)](https://www.classonline.org.uk/blog/labour-market-realities-barriers-facing-young-people/)

<sup>5</sup>[Recruiting young people facing disadvantage: an evidence review \(cipd.co.uk\)](https://www.cipd.co.uk/evidence/reviews/recruiting-young-people-facing-disadvantage-an-evidence-review)

<sup>6</sup>[Young people are worse off than older generations in today's labour market | European Economic and Social Committee \(europa.eu\)](https://european-council.europa.eu/media/e4000000/1/press/1618224/Young-people-are-worse-off-than-older-generations-in-today-s-labour-market.pdf)

<sup>7</sup>[Youth Misspent: Uncovering the harsh realities for Britain's young people in today's job market - News \(cityandguilds.com\)](https://www.cityandguilds.com/News/Youth-Misspent-Uncovering-the-harsh-realities-for-Britain-s-young-people-in-today-s-job-market)

<sup>8</sup><https://www.tuc.org.uk/news/young-workers-three-times-more-likely-be-employed-sectors-where-jobs-are-most-risk-tuc>

	<p>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>9</sup></p>
Sexual Orientation	<p>The Department has no specific data to determine the impact of the overall budget and not filling staff vacancies on this group. 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 absence of data, it is difficult to determine the impact(s) on this group of the Department's 2024-25 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>10</sup>. There is therefore potential for adverse impact on this S75 group.</p>

<sup>9</sup> <https://policyinpractice.co.uk/we-can-do-better-women-welfare-and-the-gender-benefits-gap/>

<sup>10</sup> <https://lgbtqwelfare.stir.ac.uk/2022/12/08/lgb-access-to-welfare-benefits/>

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 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>11</sup>.</li> </ul> <p>It therefore stands to reason that females could be more adversely impacted as a result of the Department's 2024-25 budget allocation and inability to fill critical benefit delivery related vacancies and put in place child maintenance payment arrangements.</p>
Disability	<p>The 2021 Census indicates that nearly 45% of households in Northern Ireland with 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>12</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>

<sup>11</sup> <https://policyinpractice.co.uk/we-can-do-better-women-welfare-and-the-gender-benefits-gap/>

<sup>12</sup> JRF UK Poverty 2023 - [https://files.localgov.co.uk/jrf\\_638103267396801742.pdf](https://files.localgov.co.uk/jrf_638103267396801742.pdf)

	<p>The Department's Audit of Inequalities identifies that people with a disability and/or health conditions may experience barriers of economic participation, social isolation and poverty. The Joseph Rowntree Foundation – Poverty in Northern Ireland (2022) report outlines that disabled people in Northern Ireland have faced a higher poverty risk for at least the last 20 years. This is driven partly by the additional costs associated with disability and ill-health, and partly by many disabled people facing barriers to accessing work. Those barriers mean that many disabled people and/or families where someone is disabled rely on benefits as a source of income.</p> <p>Any inability by the Department to process and pay disability benefit will undoubtedly disproportionately impact on individuals with a disability as these are key users of the Disability benefit services.</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-children families are in poverty, compared with almost 1 in 2 children in families with three or more children. <sup>13</sup></p> <p>High levels of poverty are more likely to be experienced by people with dependents, including dependent adults. Any inability by the Department to process and pay benefits to people with</p>

<sup>13</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>



	dependents and put in place child maintenance payment arrangements will undoubtedly disproportionately impact on people within this S75 group and their dependents.
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ii. **Discretionary Support (DS) Grants**

**Discretionary Support (DS) Grants** (equivalent to GB Household Support Fund) provide support to people facing financial hardship. Grant demand has rose to unprecedented levels, almost a fourfold increase, during the cost-of-living crisis and £40.3m of grant awards were issued in 2022-23. The Department's historic Baseline budget for Discretionary Support Grants totalled £13.7m; which given the constrained budget position in 2023-24 was not sufficient to meet grant demand forecast at similar to 2022-23. Given the pressures faced in 2023-24, the Department progressed policy changes to scale back DS Grants awards to live within budget available for 2023-24. This policy change was subject to full EQIA and took effect from 3 July 2023. The Department has monitored the policy and found no greater adverse impact on any particular Section 75 group.

The Department recognises the vital support DS provides. Despite the Department's constrained budget position in 2024-25, to avoid impacting the current support available to any vulnerable individual or household facing financial hardship, particularly during this continued cost-of-living crisis, the Department will top up the DS Grant Baseline from £13.7m to £22m for 2024-25. Furthermore, Capital funded hardship loans will continue. With rising poverty levels, failure to sustain Discretionary Support will impact most on those already disproportionately impacted by the Cost-of-Living crisis, including low-income families, disabled people, older people, and women. 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.

The Department's assessment of the likely impact of its Budget 2024-25 decisions on Discretionary Support provision upon those within Section 75 categories, identified the following potential positive impacts:

Group	Impact
Religious Belief	<p>The Department has no specific data to determine the impact of the overall budget and not filling staff vacancies on this group. 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 services benefit 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. Based on the available data, the Department's policy and not filling staff vacancies may disproportionately impact on this S75 group.<sup>14</sup></p>
Political Opinion	<p>The Department has no specific data to determine the impact of the overall budget and not filling staff vacancies on this group. 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 'Northern Irish'. This is up from 533,100 people (29.4%) in 2011.</p> <p>The Department's services benefit all eligible citizens across NI within this S75 group. In the Department's report covering Section 75 statistics</p>

<sup>14</sup> [Northern Ireland Welfare Supplementary Payment and Discretionary Support Schemes \(communities-ni.gov.uk\)](https://communities-ni.gov.uk/northern-ireland-welfare-supplementary-payment-and-discretionary-support-schemes)

	for Discretionary Support claims from August 2021 to March 2023. 34% of the applicants identified as Irish. Based on the available data, the Department's policy and not filling staff vacancies may disproportionately impact on this S75 group. <sup>15</sup>
Race	<p>The Department has no specific data to determine the impact of the overall budget and not filling staff vacancies on this group. 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 reductions in Universal Credit.<sup>16</sup></p> <p>The Department's services benefit 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. Based on the available data, the Department's policy and not filling staff vacancies may disproportionately impact on this S75 group.<sup>17</sup></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 and in particular those aged 18 - 24, faced a particular disadvantage in</p>

<sup>15</sup> [Northern Ireland Welfare Supplementary Payment and Discretionary Support Schemes \(communities-ni.gov.uk\)](https://communities-ni.gov.uk/northern-ireland-welfare-supplementary-payment-and-discretionary-support-schemes/)

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

<sup>17</sup> [Northern Ireland Welfare Supplementary Payment and Discretionary Support Schemes \(communities-ni.gov.uk\)](https://communities-ni.gov.uk/northern-ireland-welfare-supplementary-payment-and-discretionary-support-schemes/)

	<p>the labour market and therefore could be adversely impacted by budget policy. This has been highlighted in researched reports from the Centre for Labour and Social Studies<sup>18</sup>, Chartered Institute of Personnel and Development<sup>19</sup>, European Economic and Social Committee<sup>20</sup>, City and Guilds<sup>21</sup> and the TUC<sup>22</sup>.</p> <p>The Department's services benefit 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. Based on the available data, the Department's policy and the impact of staff vacancies may disproportionately impact on this S75 group.<sup>23</sup></p>
Marital Status	<p>The Department's services benefit 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, 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</p>

<sup>18</sup> [Labour Market Realities: Barriers Facing Young People | Blog | CLASS \(classonline.org.uk\)](https://classonline.org.uk/blog/labour-market-realities-barriers-facing-young-people/)

<sup>19</sup> [Recruiting young people facing disadvantage: an evidence review \(cipd.co.uk\)](https://cipd.co.uk/evidence-reviews/recruiting-young-people-facing-disadvantage-an-evidence-review)

<sup>20</sup> [Young people are worse off than older generations in today's labour market | European Economic and Social Committee \(europa.eu\)](https://european-council.europa.eu/media/en/press-articles/detail/14444)

<sup>21</sup> [Youth Misspent: Uncovering the harsh realities for Britain's young people in today's job market - News \(cityandguilds.com\)](https://cityandguilds.com/news/youth-misspent-uncovering-the-harsh-realities-for-britain-s-young-people-in-today-s-job-market)

<sup>22</sup> <https://www.tuc.org.uk/news/young-workers-three-times-more-likely-be-employed-sectors-where-jobs-are-most-risk-tuc>

<sup>23</sup> [Northern Ireland Welfare Supplementary Payment and Discretionary Support Schemes \(communities-ni.gov.uk\)](https://communities-ni.gov.uk/northern-ireland-welfare-supplementary-payment-and-discretionary-support-schemes)

	<p>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>24</sup></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>In the Department's report covering Section 75 statistics for Discretionary Support claims from August 2021 to March 2023, 71% of the applicants identified as single. Based on the available data, the Department's policy and the impact of staff vacancies may disproportionately impact on this S75 group.<sup>25</sup></p>
Sexual Orientation	<p>The Department has no specific data to determine the impact of the overall budget and not filling staff vacancies on this group. 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. Based on the available data in the report and census, the Department's policy and the impact of staff vacancies may disproportionately impact on this S75 group.<sup>26</sup></p>
Gender	<p>NISRA population statistics indicate that men and women make up roughly equal parts of NI's 1.9m population.</p>

<sup>24</sup> <https://policyinpractice.co.uk/we-can-do-better-women-welfare-and-the-gender-benefits-gap/>

<sup>25</sup> [Northern Ireland Welfare Supplementary Payment and Discretionary Support Schemes \(communities-ni.gov.uk\)](https://communities-ni.gov.uk/northern-ireland-welfare-supplementary-payment-and-discretionary-support-schemes)

<sup>26</sup> [Northern Ireland Welfare Supplementary Payment and Discretionary Support Schemes \(communities-ni.gov.uk\)](https://communities-ni.gov.uk/northern-ireland-welfare-supplementary-payment-and-discretionary-support-schemes)

	<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 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>27</sup>.</li> </ul> <p>It therefore stands to reason that females could be more adversely impacted as a result of the Department's 2024-25 budget allocation and inability to fill critical benefit delivery related vacancies.</p> <p>The monitoring data indicated that the Discretionary Support policy changes of July 2023 did not negatively impact women more than men.</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>28</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>

<sup>27</sup> <https://policyinpractice.co.uk/we-can-do-better-women-welfare-and-the-gender-benefits-gap/>

<sup>28</sup> JRF UK Poverty 2023 - [https://files.localgov.co.uk/jrf\\_638103267396801742.pdf](https://files.localgov.co.uk/jrf_638103267396801742.pdf)

	<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. Based on the available data, the Department's policy and the impact of staff vacancies may disproportionately impact on this S75 group.<sup>29</sup></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-children families are in poverty, compared with almost 1 in 2 children in families with three or more children.<sup>30</sup></p> <p>High levels of poverty are more likely to be experienced by people with dependents, including dependent adults. Any inability by the Department to process and pay benefits to people with dependents will undoubtedly disproportionately impact on people within this S75 group and their dependents.</p> <p>The monitoring data indicated that the Discretionary Support policy changes of July 2023 did not negatively impact lone parents more than any other Section 75 group.</p>

<sup>29</sup> [Northern Ireland Welfare Supplementary Payment and Discretionary Support Schemes \(communities-ni.gov.uk\)](https://communities-ni.gov.uk)

<sup>30</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>

### iii. **Employment Support Interventions**

- **Labour Market Partnerships (LMP)** – LMPs, which are delivered through local councils, provide a suite of employability provision to support people to find and retain employment. LMP 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 whilst being flexible to meet the needs presented by localised conditions, such as economically inactive, long-term unemployment, youth unemployment, disability, skilled labour supply and economic shock. Despite the Department's constrained Budget position in 2024-25, subject to and aligned with business case approvals, funding will continue for LMPs in 2024-25. This will positively impact across Section 75 groups, helping those seeking work and provide critical support to help people with a disability or health condition to remain in work.
  
- **JobStart (Youth 16-24 year olds) and other parity employment interventions** – The Department's NI JobStart Scheme is aimed at young people aged 16 to 24 who are at risk of falling into long-term unemployment by providing job opportunities offering 25 hours of paid employment per week at the appropriate National Minimum Wage for six months. This can be extended to nine months for young people on one of the Scheme's Specialist Pathway Groups that includes young people with a disability, those who are Care Experienced, those with a Youth Justice background or at risk of paramilitarism or coercive control and those who are not in education, employment or training (NEET). JobStart opportunities improve participants employability and occupational skills, in order to help them sustain employment.

In the absence of the Department's bids being met for parity delivery, similar to the Department of Work and Pensions in GB extension of Restart, the Department will be unable to progress an extension of its very successful JobStart Scheme and take forward other parity employment



support interventions in 2024-25. Furthermore, given the absence of parity funding and continued year-on-year squeeze on Budgets, the Department will be undertaking further review of its existing suite of employment programmes and their longer term viability.

The Department's assessment of the likely impact of Budget 2024-25 on Employment Support interventions 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>31</sup>, external showed that 43.5% of the workforce was Protestant, 43.4%, was Catholic and 13.1% were "non-determined".</p> <p>The Department's services benefit all eligible citizens across NI within this S75 group. However, in the absence of specific data, it is difficult to determine the impact(s) on this group of the Department's 2024-25 budget allocation.</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 'Northern Irish'. This is up from 533,100 people (29.4%) in 2011.</p> <p>The Department's services benefit all eligible citizens across NI within this S75 group. However, in the absence of data, it is difficult to determine the impact(s) on this group of the Department's 2024-25 budget allocation.</p>

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

Race	<p>The Department has no specific data to determine the impact of the overall budget and not filling staff vacancies on this group. 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 reductions in Universal Credit.<sup>32</sup></p> <p>The Department's services benefit all eligible citizens across NI within this S75 group. Reduced and sub-parity Employment Support provision is likely to adversely and disproportionately impact on this group, as a result of the Department's 2024-25 budget allocation. The closure of any of the Department's Employment Support interventions would be subject to separate EQIA.</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 and in particular those aged 18 to 24, faced a particular disadvantage in the labour market and therefore could be adversely impacted by budget policy. This has been highlighted in researched reports from the Centre for Labour and Social Studies<sup>33</sup>, Chartered Institute of Personnel and Development<sup>34</sup>,</p>

<sup>32</sup> <https://policyinpractice.co.uk/we-can-do-better-women-welfare-and-the-gender-benefits-gap/>

<sup>33</sup> [Labour Market Realities: Barriers Facing Young People | Blog | CLASS \(classonline.org.uk\)](#)

<sup>34</sup> [Recruiting young people facing disadvantage: an evidence review \(cipd.co.uk\)](#)

	<p>European Economic and Social Committee<sup>35</sup>, City and Guilds<sup>36</sup> and the TUC<sup>37</sup>.</p> <p>The high success rates on the Department's NI JobStart scheme have supported significant numbers of young people move into sustained employment. The Budget policy and the Department's lack of funding to extend the JobStart scheme will undoubtedly adversely impact on people of working age, particularly young people.</p>
Marital Status	<p>The Department's services benefit 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, 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>38</sup></p> <p>Employment is the best route out of poverty. The Department's Budget policy with lack of funding to extend the JobStart scheme or take forward other parity employment interventions and risk of</p>

<sup>35</sup> [Young people are worse off than older generations in today's labour market | European Economic and Social Committee \(europa.eu\)](#)

<sup>36</sup> [Youth Misspent: Uncovering the harsh realities for Britain's young people in today's job market - News \(cityandguilds.com\)](#)

<sup>37</sup> <https://www.tuc.org.uk/news/young-workers-three-times-more-likely-be-employed-sectors-where-jobs-are-most-risk-tuc>

<sup>38</sup> <https://policyinpractice.co.uk/we-can-do-better-women-welfare-and-the-gender-benefits-gap/>

	financial viability on existing schemes will undoubtedly adversely impact on single people of working age, particularly women.
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 absence of data, it is difficult to determine the impact(s) on this group of the Department's 2024-25 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>39</sup>. There is therefore potential for adverse impact on this S75 group, as this group is likely to be further from the labour market.</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 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,</li> </ul>

<sup>39</sup> <https://lgbtqwelfare.stir.ac.uk/2022/12/08/lgb-access-to-welfare-benefits/>

	<p>and providing more unpaid care than men leave women in a financially poorer position<sup>40</sup>.</p> <p>The Department's Budget policy with lack of funding to extend the JobStart scheme or take forward other parity employment interventions and risk of financial viability on existing schemes will undoubtedly adversely impact on people of working age, particularly women.</p>
Disability	<p>The 2021 Census indicates that nearly 45% of households in Northern Ireland with 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>41</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>Employment is the best route out of poverty. The Department's Budget policy with lack of funding to extend the JobStart scheme which provided specific support through the Scheme's Specialist Pathway for young people with a disability or take forward other parity employment interventions and risk of financial viability on existing schemes will undoubtedly adversely impact on people with a disability. This is particularly concerning for the Department, as Northern Ireland has the highest levels of economic inactivity and the largest disability employment gap in the UK.</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 health recovery, improving self-esteem and</p>

<sup>40</sup> <https://policyinpractice.co.uk/we-can-do-better-women-welfare-and-the-gender-benefits-gap/>

<sup>41</sup> JRF UK Poverty 2023 - [https://files.localgov.co.uk/jrf\\_638103267396801742.pdf](https://files.localgov.co.uk/jrf_638103267396801742.pdf)

	<p>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>Any inability by the Department to provide meaningful employment interventions to support people move onto or stay in employment, could disproportionately impact on people within this S75 group and their dependents.</p>
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#### iv. **Supporting People Programme**

- **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 in 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.

Given increasing cost pressures and demand for services, for 2024-25 the Department will provide a £4.8m (6.4%) increase in funding for the Supporting People Programme above the 2023-24 Final EQIA Budget position. This will help with continued viability of the programme. This will

provide positive benefit for people across a number of Section 75 groups, including older people and people with a disability including mental health and learning disabilities who would otherwise be disproportionately impacted by a flat Budget allocation to the programme in 2024-25.

The Department's assessment of the likely impact of the Budget 2024-25 Supporting People allocation upon those within Section 75 categories, has not identified any potential adverse or differential impacts:

Groups	Impact
<p>All Groups –</p> <ul style="list-style-type: none"> <li>- Religious Belief</li> <li>- Political Opinion</li> <li>- Race</li> <li>- Age</li> <li>- Marital Status</li> <li>- Sexual Orientation</li> <li>- Gender</li> <li>- Disability</li> <li>- Dependents</li> </ul>	<p>The Department's Budget decisions including a £4.8m (6.4%) increase in funding for the Supporting People Programme above the 2023-24 Final EQIA Budget position will help ensure continued viability of the programme. This will provide positive benefit for people across a number of S75 groups, including older people and people with a disability including mental health and learning disabilities who would otherwise be disproportionately impacted by flat funding in 2024-25.</p> <p>Potentially all citizens across NI in S75 groups could benefit from the programme, 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 sustain the programme and help meet increasing costs, thereby ensure continued access to vulnerable people, including those in Section 75 groups.</p>

	The Department will continue to work closely with NI Housing Executive on monitoring the service impacts arising the Budget 2024-25 allocations.
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**v. Homelessness**

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>42</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.

While the Department’s 2023-24 Homelessness Budget allocation was £31.4m, a £44.5m requirement on Homelessness is forecast for 2024-25. The Homelessness budget includes around £7.2m for basic prevention and non-accommodation vital services for voluntary and community sector partners such as the Welcome Centre Street outreach, Simon

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<sup>42</sup> Crisis Policy Briefing: Introduction to Homelessness & Housing, Crisis  
<https://www.bl.uk/collection-items/introduction-to-homelessness-and-housing>



Community, East Belfast Mission, Salvation Army, Extern and De Paul. The remainder is used for Temporary Accommodation.

The Department has been working with the NI Housing Executive to control spend on Temporary Accommodation. While use of Temporary Accommodation has increased significantly since 2020, there are now also an increasing number of households, many large and complex, entering the Homelessness system after being granted asylum. There is a statutory duty to provide accommodation for a household that meets the four tests for Full Duty Assistance (FDA), and the NIHE then has to pay for accommodation if required. The nature of this Duty means that the NIHE will prioritise funding for it, and focus saving on the third sector/voluntary and community sector groups, in particular longer term preventative work.

There is a significant risk if sufficient temporary accommodation is not available. This would inevitably lead to a rise in rough sleeping. Vulnerable people will be more at risk of exploitation and harm as they make compromises to find somewhere to live. There will be a disproportionate impact on health and justice services by people who are genuinely roofless and desperate. The cost on the public purse is therefore likely to be far more than the amount saved.

The Department's assessment of the likely impact of the Budget 2024-25 allocation and inability to increase the Homelessness funding allocation in 2024-25 is likely to adversely impact on people within all Section 75 categories:

Groups	Impact
All Groups – <ul style="list-style-type: none"><li>- Religious Belief</li><li>- Political Opinion</li><li>- Race</li></ul>	New homeless presentations remained largely steady over 5-year period, whilst total numbers of full duty applicants on waiting list was increasing year on year.

<ul style="list-style-type: none"> <li>- Age</li> <li>- Marital Status</li> <li>- Sexual Orientation</li> <li>- Gender</li> <li>- Disability</li> <li>- Dependents</li> </ul>	<p>Top reasons for homelessness remained consistent (accommodation not reasonable, sharing breakdown and loss of rented accommodation)</p> <p>Proportion of homeless acceptances was increasing reflecting the increasing complexity of client needs. Demand for emergency accommodation was outstripping supply (reflected in the increasing use of hotel/B&amp;B accommodation). Around 70% of those leaving temporary accommodation move on to permanent social housing. The time spent in Temporary Accommodation is getting longer, the average time is now 8 months. For single lets the average time is now close to 2 years.</p> <p>There is a mismatch in temporary accommodation supply and demand both in terms of locations and client support needs; there were clients in supported accommodation who no longer needed support, whilst others with support needs were in unsupported accommodation, with the most complex often in hotels/B&amp;Bs due to a shortage of accommodation for this cohort. Move on accommodation was identified as a significant blockage within the system.</p> <p>There are increasingly complex support needs associated with homelessness presentations with mental health and addictions the most prevalent. Total numbers of repeat homelessness presentations increasing marginally year on year, including a prevalence of single person homeless amongst repeat presentations.<sup>43</sup></p> <p>People in all S75 group groups can be impacted by Homelessness, with potential for greater adverse impact on -</p> <ul style="list-style-type: none"> <li>• Younger people significantly as risk of homelessness</li> <li>• LGBTQI+ people</li> <li>• Women and men fleeing domestic violence</li> <li>• Single people and families</li> </ul>
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<sup>43</sup> The Way Home Homelessness response to COVID-19, Housing Executive (2020)  
<https://www.nihe.gov.uk/Documents/Homelessness/homelessness-reset-plan-the-way-home.aspx?ext=>

	<ul style="list-style-type: none"> <li>• The disabled and those with complex housing requirements due to their health needs</li> </ul> <p>The inability of the Department to increase the Homelessness funding allocation in 2024-25, is likely to adversely impact on people within all Section 75 categories.</p>
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vi. **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. Despite the heavily constrained financial position facing the Department in 2024-25, Arm's Length Bodies Resource funding will be held at the Department's 2023-24 Final EQIA Budget position funding level. EQIA Monitoring returns, following the Department's Budget 2023-24 Final Budget decisions and allocations to ALBs, identified no significant adverse impacts on Section 75 groups resulting from 2023-24 Budget decisions.

The Minister acknowledges that a flat budget allocation is not ideal and will require cost constraint by Arm's Length Bodies to live within their Budget 2024-25 allocations. However, given the heavily constrained financial position facing the Department in 2024-25, providing 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 their Budget 2024-25 allocations.

Amongst the ALB's 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 2024-25 ALB allocation upon those within Section 75 categories has not identified any potential adverse or differential impacts:

Groups	Impact
All Groups – - Religious Belief - Political Opinion - Race - Age - Marital Status - Sexual Orientation - Gender - Disability - Dependents	<p>The Department's Budget allocations to its funding 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 2024-25 and overall reduction in its Resource Budget, Arm's Length Bodies Resource funding will be held at the Department's 2023-24 Final EQIA Budget position funding level.</p> <p>Flat Budget allocations are not an ideal situation and will require cost constrained by Arm's Length Bodies. However, EQIA Monitoring returns following the Department's Budget 2023-24 Final Budget decisions and allocations to ALBs, identified no significant adverse impacts on Section 75 groups resulting from 2023-24 Budget decisions.</p> <p>The Department will continue to work closely with Arm's Length Bodies on monitoring the service impacts arising their Budget 2024-25 allocations.</p>

**vii. 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<sup>2</sup>). 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 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 £1.45m on the Department's 2023-24 Final EQIA Budget position funding level. The Department's assessment of the likely impact of the Budget

2024-25 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>44</sup>, external 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 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</p>

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

	<p>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 – 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> <li>- 8% of charities provide services in support of carers. – 48% of charities provide services in support of children (5- 13)</li> <li>- 44% of charities provide services in support of young people (14-25)</li> <li>- 20% of charities provide services in support of preschool children (0-5)</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>
Marital Status	<p>There were 693,000 adults who were married or in a civil partnership in Census 2021. This made</p>

	<p>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'. • 4.1% of adults (1 in 25) in Belfast identified as LGB+, while 1.1% of adults in Mid Ulster identified as LGB+. • 4.6% of people aged 16 to 24 identified as LGB+, this falls to 0.3% of people aged 65 and over. • 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%</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</p>



	<p>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 1277 charities – 14% of charities provide services in support of mental health – 11% of charities provide services in support of physical disability – 10% of charities provide services in support of learning disability – 6% of charities provide addiction support services – 6% of charities provide services in support of sensory disability.</p> <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 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. – 21% of charities provide services in support of parents – 8% of charities provide services in support of carers.</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>
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**viii. Rates Support Grant**

- The **Rates Support Grant** provides financial support, on an annual basis, to those councils whose needs exceed their wealth relative to other councils in NI. The Rates Support Grant is a statutory grant; however, the level of funding is not set in legislation. The Rates Support Grant was reduced by £4m in 2023-24, and a further reduction of £1.8m is proposed for 2024-25. The decision to implement in 2024-25 has been screened out for Section 75 Equality purposes as minor impacts have been identified. The Department is also currently independently reviewing the Rates Support Grant, and it is hoped that this will assist the Department to understand how this grant funding is used / and or considered by Councils within their overall funding.

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

- The provision of New Build **Social Housing** is a priority for the Minister, but the 2024-25 net capital allocations will have a significant detrimental effect on the numbers of new social homes that can be built through the Social Housing Development Programme in 2024-25. This Programme is the means to counter increasing housing waiting lists, which are currently at record levels. The target for 2024-25 was 2,000 unit new starts, however Budget allocations will currently only support up to 400 unit new starts in 2024-25. This compares to 1,508 unit new starts in 2023-24.

- The **Affordable Warmth Scheme** addresses the effects of fuel poverty and energy inefficiency and is directed at low-income households. The proposal to allocate £2m (plus honouring grant offers already made of £5.2m in 2024-25) would allow approximately 360 additional approvals to be made in 2024-25. Overall, the 2024-25 allocation will reflect only 50% of the total budget allocated in 2023-24.
- The **Urban Regeneration programme** contributes to the previous Executive's commitment to create town and city centres in which people want to live, shop, work, or visit. At the core of the Department's investment in public realm, and other regeneration projects, is the desire to create public spaces that are accessible to all. Stopping this investment would have an adverse impact on people with disabilities and older people, and across all Section 75 groups.

Urban regeneration contributes to the Department's housing outcomes and creates economic growth. In particular, the retail and hospitality sectors are often predominant in town and city centres and employ a younger workforce. Stopping investment in these projects could therefore have a disproportionate impact on younger people.

- Capital projects in **Culture, Arts and Heritage, Sports and Green growth** will either be significantly curtailed or stopped completely in 2024-25. The previous Executive had agreed to prioritise Green Growth and Social Housing with any surplus Capital DEL which emerges. Without additional funding this is likely to have a negative impact across Section 75 Groups.

Given the significant £167.3m (-48.5%) shortfall on the Department's Capital DEL 2024-25 requirements, the Department's assessment of the likely impact of its Budget 2024-25 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>45</sup>, external 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, therefore 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 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</li> </ul>

	<p>uneven, disproportionately affecting applicants from other religions and Catholics.</p> <ul style="list-style-type: none"> <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 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, 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, therefore 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>46</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 of home. Irish Travellers experience a serious lack of basic amenities on some sites, identified as a persistent theme.</li> <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, resulting Budget policy are likely</p>
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<sup>46</sup> [HSS: Draft EQIA \(communities-ni.gov.uk\)](https://www.communities-ni.gov.uk/hss-draft-eqia)

	disproportionately impact on people from different race groups.
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. – 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> <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 disproportionately and adversely impact on people of different ages.</p>
Marital Status	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

	<p>contrast 577,000 adults (38%) were single (never married/civil partnered).</p> <p>With the exception of housing, therefore 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> <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 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> <p>Arts Council NI data shows that the majority of artists within the sector who responded identified as female (including transgender women) at 2414 (52%) in 2020/21 and 2913 (53%) in 2021/22. Males working in the sector represent the second largest group at 2193 (47%) in 2020/21 and 2547 (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.</p> <p>Differentials in the housing outcomes of people of different gender were apparent in the following circumstances:</p> <ul style="list-style-type: none"> <li>• Overall, households with female household reference persons have smaller homes and</li> </ul>

	<p>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.</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• Rates of relative poverty in the private rented sector increase once housing costs are taken into account more for women rather than men; but rates of relative poverty are reduced for women more than men, when the minimal housing costs in outright homeownership are considered.</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 disproportionately and adversely impact on people of different genders.</p>
Disability	<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</p>

	<p>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. The Government's project to resettle all patients with learning disabilities away from hospitals to supported or independent living nears completion in 2016.</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 to meet their needs, especially in the private market.</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 disproportionately and adversely impact on people with disabilities.</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>With the exception of housing, therefore 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 crowding in social housing.</li> </ul> <p>The Department's constrained Capital allocation and the resulting Budget policy are likely disproportionately and adversely impact on people with and without dependents.</p>
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## **4. Consideration of Mitigation Measures**

- 4.1. The impact of the Budget 2024-25 on the Department has been extremely challenging with the Department facing a very constrained financial position in 2024-25. In the context of delivering public services with constrained allocations and other inescapable pressures, the Department has considered options to live within its 2024-25 allocation whilst continuing to maintain public service delivery in so far as this is possible.
- 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 Budget allocations, the Department will make every effort to protect front line service delivery.
- 4.3. Taking onboard available data and EQIA responses, the Department has sought to ensure that its 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 2024-25 to mitigate the impact of the Department's constrained Budget 2024-25 allocations. However, it should be noted that the Department's ability to mitigate the potential adverse impacts of its constrained 2024-25 Budget has largely only been possible through the additional funding provided to the Department by the Executive in the June 2024, October 2024 and January 2025 Monitoring Rounds.

## Budget 2024-25 Mitigations Progressed

### i. Homelessness

Given the challenges of both increasing demand and cost associated with homelessness, the Minister has **allocated £6.7m to the NI Housing Executive in 2024-25, to support service delivery including Homelessness**. This funding will help to prevent the risk of homelessness service closures and ensure that statutory obligations can continue to be met.

While the Homelessness budget remains under significant pressure for future years, the intention is that key services will remain funded at the current level for the remainder of the 2024-25 financial year. This will mitigate adverse impact across all Section 75 groups.

### ii. Arm's Length Bodies

The Department's Arm's Length Bodies provide vital services across a range of sectors including Arts, Libraries, Museums and Sports. The Minister has **allocated £4.1m to the Department's Arm's Length Bodies to meet inescapable costs** related to salaries, site maintenance, libraries book stock and delivery of services.

EQIA Monitoring returns, following the Department's Budget 2023-24 Final Budget decisions and allocations to ALBs, identified no significant adverse impacts on Section 75 groups resulting from 2023-24 Budget decisions. The 2024-25 additional allocation provided will ensure sufficient funding is available to ALBs in 2024-25 for inescapable costs. This will mitigate adverse impact across all Section 75 groups.

### iii. Discretionary Support Grant

Discretionary Support (DS) Grants (equivalent to GB Household Support Fund) provide support to people facing financial hardship. Grant demand has risen to unprecedented levels, with the Department's historic Baseline budget for Discretionary Support Grants of £13.7m not sufficient to meet the demand forecast in 2024-25. The Department's DS Grant Opening Budget was topped up to £22m for 2024-25. Failure to have taken such action would have put at risk the Department's ability to help address the basic needs of people who present with hardship, particularly people with dependents, older people and people with a disability. Despite this action, demand for Discretionary Support has remained high throughout 2024-25. As a result, the Minister has **increased the Department's Discretionary Support Grant Budget to £25.5m in 2024-25 (a £3.5m increase on the Opening Budget)** to ensure the Department can continue to meet the high demand from people facing financial crisis, given the absence of cost-of-living payments this year and pressures on households. This action will ensure Discretionary Support remains available to those eligible and mitigate adverse impact across all Section 75 groups.

**iv. New Build Social Housing**

The Department's Opening Capital Budget for New Building Social Homes allows only for up to 400 New Build Social Home starts in 2024-25. 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 2024-25. 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

£48.5m to the NI Housing Executive for New Build Social Housing in 2024-25. This will enable total delivery of circa 1,400-1500 houses in this financial year. This falls short of the Department's target for 2024-25 of 2,000 unit new starts, however this is a positive outcome when compared to the Department's 2024-25 Opening Budget position.

The Department will continue to seek additional funding throughout 2024-25 and for future years to tackle the housing challenge, and to mitigate adverse impact across all Section 75 groups.

**v. Affordable Warmth Scheme**

The Affordable Warmth Scheme addresses the effects of fuel poverty and energy inefficiency and is directed at low-income households. The initial proposal to allocate £2m (plus honouring grant offers already made of £5.2m in 2024-25) allowed for only approximately 360 additional approvals to be made in 2024-25.

The Minister has secured additional funding during the in-year Monitoring Rounds to support an increase in the total allocation to Affordable Warmth to £7.9m. This will allow in the region of 2,120 approvals to be made in 2024-25 and help mitigate adverse impact across all Section 75 groups.

- 4.5. In allocating the 2024-25 Budget, the Department has carefully considered 2023-24 consultation responses, its statutory, legislative and contractual obligations, the policy decisions of former Ministers, 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 2024-25 Budget has limited the additional funding the Department can allocate to welfare benefit delivery, to extend its employment programmes, to its Arm's Length Bodies and other vital sectors the Department supports.

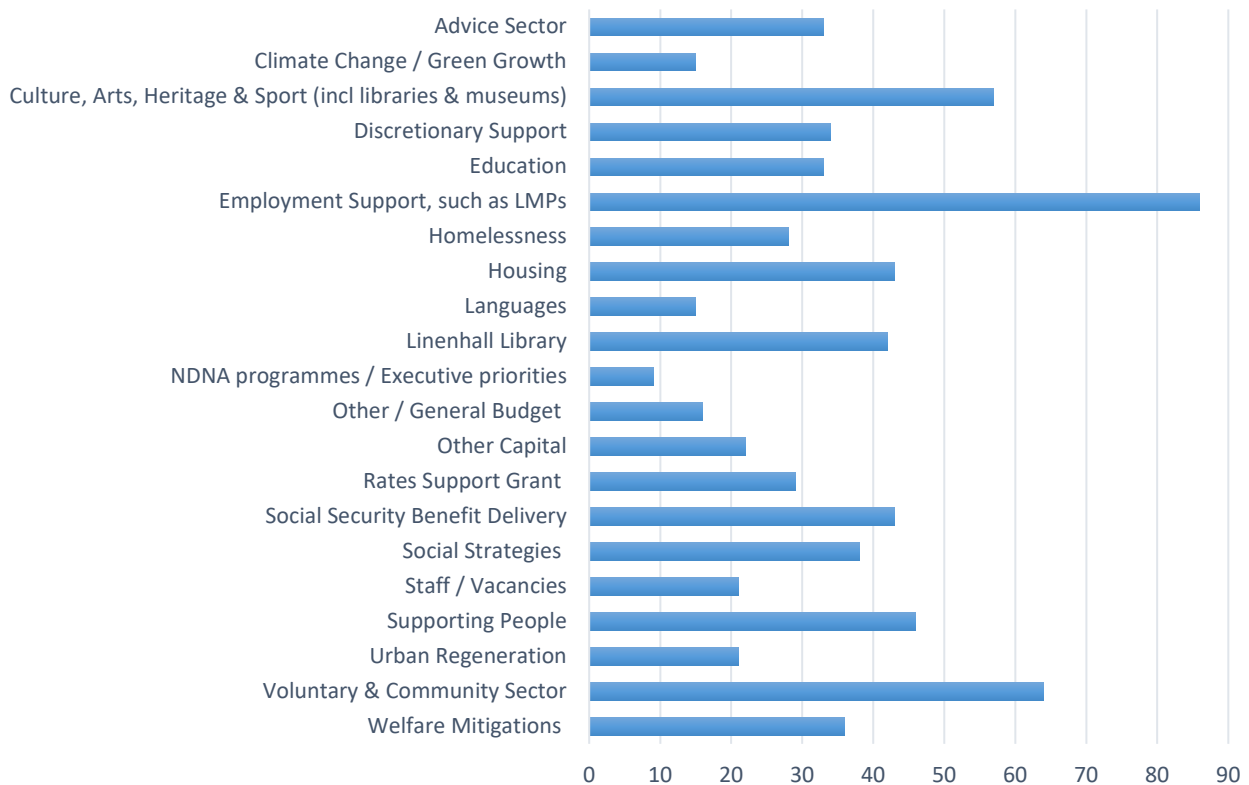


4.6. The final Budget 2024-25 decisions taken by the Minister have considered available data and responses received during the 2024-25 consultation and the available funding, to mitigate the impacts of the Budget allocation on the Section 75 groups and the most vulnerable in our society.

## 5. Consultation

- 5.1. The Department would like to take this opportunity to thank all those who participated in the DfC Budget 2024-25 EQIA consultation process. The invaluable input and expertise received through your responses has helped to inform and shape the Department's final Budget 2024-25 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 2024-25 Draft EQIA was published for public consultation on 11 June 2024 and closed on 3 September 2024. During the consultation period, a total of 92 responses were received. This included 75 responses from organisations / sectors and groups and 17 responses from private individuals. No postal responses were received.
- 5.2. As the proposed Budget 2024-25 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 21 key themes.
- 5.3. The graph below summarises the numbers of concerns raised by respondents under each theme.

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



5.4. All EQIA consultation responses and feedback received has 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 2024-25 Budget position on all aspects of public service delivery, and the people and communities the Department's support.

## **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 2024-25 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:
- Continuing to departmental vacancy control with 695 full time equivalent (fte) unaffordable posts remaining vacant in 2024-25.
  - Supporting People Programme funding increased by £4.8m above the 2023-24 Final EQIA Budget position, to help ensure continued viability of the programme.
  - Voluntary and Community Sector funding increased by £1.45m on the Department's 2023-24 Final Budget position.
  - Only inescapable Resource pressures funded in the Departments funded Arm's Length Bodies;
  - Labour Market Partnership employment funding programme held at 2023-24 levels;
  - £3.1m for the Rates Support Grant (£1.8m less than last year);
  - No extension of the Department's JobStart Scheme (aged 16-24) or and other parity employment support interventions, given the absence of parity funding; and

- No increased investment in tackle rising levels of welfare fraud and error, given the absence of parity funding.

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:

- **Allocated £6.7m to the NI Housing Executive including Homelessness** – to prevent the risk of homelessness service closures and ensure that statutory obligations can continue to be met;
- **Allocated £4.1m to the Department's other funded Arm's Length Bodies** – to meet inescapable costs related to salaries, site maintenance, libraries book stock and delivery of services;
- **Increased the Department's Discretionary Support Grant Budget to £25.5m (a £3.5m increase on the Opening Budget)** – to ensure the Department can continue to meet the high demand from people facing financial crisis, given the absence of cost-of-living payments this year and pressures on households;
- **Allocated an additional £48.5m to the NI Housing Executive for New Build Social Housing**, to enable total delivery of 1,420 houses in this financial year; and
- **Increased the total allocation to Affordable Warmth to £7.3m** – to allow in the region of 2,120 approvals to be made in 2024-25.

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 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 2024-25 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 would 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 adversely impacted on the ability to plan for longer term delivery of public services. Despite efforts to progress a multi-year Budget for the period 2025-28, as the Chancellor only announced the Spending Review outcome for 2025-26 on 30 October 2024, the Executive is only able to set a one-year Budget, for 2025-26, before the start of the incoming financial year. For departments, the last multi-year budget for Northern Ireland was for 2011-15.
- 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 draft Programme for Government 2024-2027 'Our Plan: Doing What Matters Most'.
- 7.5. The Department working closely with our delivery partners, has sought to mitigate the most significant and adverse impact of its constrained 2024-25 Budget allocation across the vast array of public services and supports 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 2024-25 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 allocation for 2025-26 financial year will be determined.



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