



**Great Homes,  
Thriving Communities**



# **NI HOUSING ASSOCIATIONS NEW DEVELOPMENT VIABILITY ANALYSIS - DECEMBER 2025**

December 2025

[www.nifha.org](http://www.nifha.org)

# Message from NIFHA Chief Executive



Following the announcement by the Minister for Communities that the Housing Association Grant paid to housing associations to develop new homes would drop from an average of 54% to 46%, NIFHA commissioned Sumer NI to carry out an independent analysis of new social housing development viability to assess the impact that this would have. The analysis shows that this change to how social housing is financed has resulted in us facing a collapse in social housing build in some of the areas of highest housing need, at a time when there are a record number of 49,588 households on the social housing waiting list across Northern Ireland.

The fundamental flaw in the decision to reduce the level of grant funding is the assumption that housing associations can easily fill the gap with additional borrowing, but the facts don't support that. What the analysis shows is that housing associations will need to raise at least £23m more in private finance in a short period just to stand still – and that brings tens of millions more in interest costs over the lifetime of the loan.

If delivering social homes depends on significantly higher private borrowing, then serious discussions will be needed about rent levels and investment in existing properties – because borrowing must be repaid. Every pound spent servicing debt is a pound not spent on building or maintaining homes and services.

What these figures highlight is that the new-build programme in Belfast and other high-need areas, is on the brink of collapse. Addressing urgent housing demand cannot be done by making social housing more expensive to deliver. If housing associations were consulted on this before the decision was made, they could have flagged these consequences, and options could have been developed to mitigate them. Instead, we are now looking at the real possibility of entire social housing schemes being shelved.

The new grant levels would reduce the overall number of viable social homes built from **2,092** to **1,100**

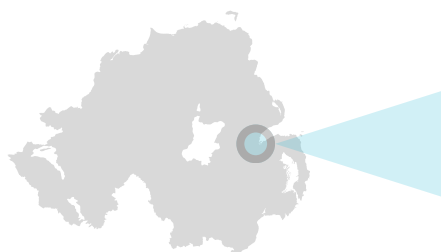
In Belfast, the number of potential new homes falls from **1,026** to just **337**

In Lisburn & Castlereagh, the pipeline of **291** new homes falls to **ZERO**



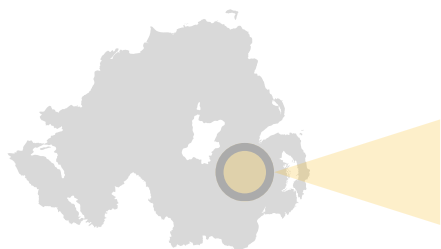
See below table which highlights the impact the changes in housing association grant levels will have on the viability of schemes across Northern Ireland, by council area

Council area	Financially viable units under old rates	Financially viable units under new rates
Antrim & Newtownabbey	192	102
Ards & North Down	33	23
Belfast	1,026	373
Causeway Coast & Glens	249	301
Derry & Strabane	178	178
Fermanagh & Omagh	7	7
Lisburn & Castlereagh	291	0
Mid & East Antrim	76	76
Mid Ulster	0	0
Newry, Mourne & Down	40	40
<b>Total</b>	<b>2,092</b>	<b>1,100</b>



**Belfast City Council Area**

**13,799 households** on the social housing waiting list  
Just **373** homes financially viable under the new rates



**Lisburn & Castlereagh Council Area**

**2,482 households** on the social housing waiting list  
**Zero** homes financially viable following funding cuts

From this analysis, only one council area - Causeway Coast & Glens - would see an increase in the number of financially viable homes.

These infographics have been produced based on an analysis carried out by Sumer NI using a sample of developments supplied to them by housing associations in Northern Ireland.



**Please note:** This analysis is a snapshot of a sample of schemes at the point in which the announcement was made. Housing associations will have different views on viability that will take into account payback terms, risks analysis and covenants and the individual circumstances of schemes. Analysis provided is also based on no other circumstances changing e.g. risk profile and rent.



## Who are NIFHA?

Northern Ireland Federation of Housing Associations

NIFHA formed in 1977 and is the representative body for Northern Ireland's 19 registered housing associations. Our members are all not-for-profit organisations and they employ more than 3,300 people directly. Between them, they manage more than 62,000 homes, including family accommodation, sheltered and supported housing and shared ownership homes, as well as investing millions every year in providing vital services and facilities for local communities.

**Housing associations are the providers of new social housing in Northern Ireland. In order to build new homes, housing associations use grant funding from the Department for Communities and raise the remaining cost of a home through private finance. In 2024-25, housing associations delivered 1,410 new homes.**



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