

# 2026 PRE BUDGET SUBMISSION



**NOVAS**

Housing | Health | Recovery

## NOVAS 2026 Pre-Budget Submission

### Who we are

NOVAS is a voluntary organisation and Approved Housing Body (AHB) working with families and single adults who are disadvantaged and socially excluded; primarily those who are homeless or at risk of being homeless. We provide a range of services and accommodation for marginalised households throughout Ireland. We work with approximately 6,000 people annually, through the lens of Trauma Informed Practice (TIP).

NOVAS is a member of the Dublin Homeless Network, the Irish Homeless Policy Group (IHPG), the Irish Coalition to End Youth Homelessness (ICEYH) and FEANTSA, the European Federation of national organisations working with people who experience homelessness.

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### Introduction

In May 2025, the number of homeless people in the state recorded by the Department of Housing was 15,747.<sup>1</sup> While this was the highest number ever recorded, it does not include those in ‘own-door’ temporary accommodation, those in domestic violence refuges, people who are rough sleeping, asylum seekers or those who are ‘hidden homeless’, involuntary sharing in overcrowded or substandard accommodation.

With the exception of an annual seasonal drop in homeless households during December, monthly figures have been on an upward trajectory since the cessation of the moratorium on evictions in March 2023. Subsequently, demand for homeless accommodation exceeds capacity nationally as exit pathways contract and people are stuck in emergency accommodation for long periods of time.

However, the current homeless crisis is solvable. With the right policy and legislative reforms and targeted funding measures, the number of households who are homeless can

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<sup>1</sup>[May 2025 Monthly Homeless Report](#)

be reduced, with the common objective of ending homelessness by 2030. Increasing our housing supply is the cornerstone to this universal goal.

While homelessness is a complex issue, the rising numbers are bound to a chronic shortage of social housing, caused by years of undersupply and an unaffordable and unstable private rental sector. An immediate response is needed to address the housing deficit and only a radical strategic reset of housing policy will achieve this. We welcome the recent announcements in the National Development Plan to increase housing targets, housing supply and the enabling infrastructure.

It is in this backdrop that Budget 2026 is being developed. We recognise that there will be significant pressure on budget decision makers, considering the uncertain international climate in which it is being drafted and the many competing sectors for funding. However, the provision of sufficient funding to address the housing and homeless crisis is critical to a stable and progressive society. The Government needs to act now to turn the tide on homelessness. Budget 2026 must reflect the emergency we face, ensuring that sufficient cross-department funding is in place to make a meaningful impact on eradicating long-term homelessness.

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## NOVAS recommendations

NOVAS 2026 Pre-Budget submission will lay out our recommendations relating to the **acceleration of housing supply, preventing homelessness, homeless service provision and enhancing the health of people who experience homelessness.**

We must urgently recognise and address Ireland's deepening housing crisis. The social cost of inaction is simply too high. Homelessness is no longer a marginal issue confined to small, underserved populations. It has become a widespread crisis linked to the chronic undersupply of housing and a shrinking private rental sector. Ireland cannot afford to ignore the human and societal toll of housing instability. The Irish Government must act now, and Budget 2026 must provide the financial security to deliver the required change.

NOVAS recommend budgetary allocation and policy change in four key areas:

NOVAS KEY PRIORITY AREAS FOR BUDGET 2026

- 1. Increase Housing Supply:** Reform CAS funding for AHBs, provide 50,000 units per annum including 16,000 social homes, build the right homes in the right location.
- 2. Prevent Homelessness:** Reorient housing policy from reactive to preventive, reinstate Tenant-in-Situ funding, increase HAP payments to reflect rising rents, pilot upstream models for vulnerable youths.
- 3. Homeless Service Provision:** Prioritise single room occupancy, gender-specific and trauma-informed services, a case management approach, full-cost recovery and multi-annual funding.
- 4. Enhance the Health and Wellbeing of the Homeless Population:** Increase the homeless health budget, implement in full the new Dual Diagnosis Model of Care, increase post-treatment, community-based housing for people who are homeless.

## 1. Increase Housing Supply

Despite more than 107,000 homes being built under *Housing for All* since the beginning of 2022, it is insufficient to meet the historical housing deficit and current demand of a growing population. Moreover, it has had no impact on reducing homelessness, which has increased by 67% between the beginning of the plan in January 2022 and January 2025 (from 9,150 to 15,286).<sup>2</sup>

The ongoing undersupply of social and affordable housing, combined with a precarious private rental sector, has resulted in a rising number of households priced out of the market, trapped in unstable rental arrangements or pushed into homelessness. Despite government interventions in recent years, housing targets or supply have failed to meet demand.

NOVAS warmly welcomes the recent *National Development Plan* and the commitment to new housing targets, the development of enabling infrastructure and the allocation of €35 billion to the Department of Housing to achieve these ambitious goals.<sup>3</sup> In 2024, the Economic and Social Research Institute recommended that Ireland must build at least 50,000 new homes per annum to meet the demand.<sup>4</sup> Last year the Housing Commission made similar recommendations, while Davy Stockbrokers go as far as recommending 85,000 homes per annum to meet pent-up demand in a shorter timeframe. It is promising to see that the Government has committed to invest €35 billion to build 300,000 homes between 2026 and 2030.<sup>5</sup>

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<sup>2</sup>[January 2022 Monthly Homeless Report; January 2025 Monthly Homeless Report](#)

<sup>3</sup>[National Development Plan Review 2025](#)

<sup>4</sup>[ERSI report on Population projections, the flow of new households and structural housing demand](#)

<sup>5</sup>[National Development Plan Review 2025](#)

NOVAS makes the following recommendations relating to accelerating the housing supply:

- Build 50,000 homes annually up to 2030 at a cost of €20 billion per annum.
- Build 16,000 social homes per annual at a cost of €4 billion.
- Ringfence housing for households who experience long-term homelessness, e.g. more than one year living in emergency accommodation.
- Build appropriate types of housing to meet current needs, specifically one-bedroom units for single individuals and four- and five-bedroom homes for large families, in large urban areas of greatest need.
- Reinstate CAS funding for the acquisition of second-hand properties by AHBs and local authorities to help end homelessness.

The government's recent announcements relating to the *National Development Plan* and its ambitious targets for housing development are most welcome. Budget 2026 must reflect these commitments, as well as the commitments in the Programme for Government to deliver new targets of overall and social housing output.

- **Recommendation:** Build 50,000 homes annually up to 2030 at a cost of €20 billion per annum.
- **Recommendation:** Build 16,000 social homes per annual at a cost of €4 billion.

While more than 100,000 homes have been developed since the inception of *Housing for All*, including approximately 32,800 social homes, this supply has had no impact on reducing homelessness in Ireland.<sup>6</sup> Indeed, during the same period, homelessness has grown exponentially, by 67%. For the supply of social housing to positively impact the number of people experiencing homelessness, housing must be ringfenced for this vulnerable population. We welcome the commitment in the Programme for Government to ring-fence housing for families experiencing long-term homelessness and we urge this to be extended to single adults and include anyone who has been homeless for more than twelve months.

<sup>6</sup> [Housing for All update](#)

- **Recommendation:** Ringfence housing for households who experience long-term homelessness, e.g. more than one year living in emergency accommodation.

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We warmly welcome the government's recent commitment to revised housing targets, increasing supply and the significant funding allocation to achieve these targets in the National Development Plan. As well as increasing supply, we must ensure that the right type of social housing is developed in the areas of highest demand. In all local authority areas across the state, single people, seeking one-bedroom units of accommodation, comprise the largest cohort of social housing applicants. Large families also spend protracted periods in emergency homeless accommodation due to difficulty in securing larger homes. The development of our social housing stock must reflect current need. The right type of housing must be developed in urban areas of greatest demand, particularly Dublin, where homelessness is growing at rates higher than any other part of the country.

- **Recommendation:** Build appropriate types of housing to meet demand, specifically one-bedroom units for single individuals and four- and five-bedroom homes for large families, in large urban areas of greatest need.

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As an Approved Housing Body, NOVAS plays a critical role in delivering secure, affordable, and supported housing for vulnerable populations. However, funding barriers limit the pace and scale of development. Recent government circulars (March 2025) have also stifled the ability of Approved Housing Bodies and local authorities to procure second-hand, scatter-site properties for homeless households, which underpin the success of programmes such as Housing First and Tenant-in-Situ.

- **Recommendation:** Reinstate CAS funding for the acquisition of second-hand properties by AHBs and local authorities to help end homelessness. Revise such acquisition targets to 2024 levels.

## 2. Preventing Homelessness

The scale of the homeless crisis, some 15,747 people accessed emergency accommodation in May 2025, clearly indicates that a more substantial investment in prevention is necessary. Last year, prevention measures accounted for just 5% of the overall homeless budget.<sup>7</sup> The majority of spending was on emergency accommodation (86%), most of which was delivered through the private sector.

Last year, the Housing Commission report recommended a ‘radical strategic reset of housing policy’, while not explicitly referring to homelessness (as this fell outside its remit), the same can be said for specific homeless policy, which is primarily focused on emergency responses.<sup>8</sup> This government needs to re-orientate homeless funding allocation and policies from reactive, emergency responses to targeted, prevention programmes, incorporating universal and upstream measures that positively impact the global population as well as recognised vulnerable groups. Budget 2026 needs to support these aspirations.

Recent circulars from the Department of Housing have had the unintended consequence of limiting prevention strategies, particularly relating to tenant-in-situ, which has been curtailed to such a degree as to make it unworkable in most cases. The policy shift of purchasing second-hand properties to new developments, while welcome in a broad sense, has severely limited the pathways for people who are homeless or at immediate risk of homelessness to secure sustainable housing. Until the supply of new properties is accelerated at scale, the second-hand market is an important route to preventing and ending homelessness.

NOVAS makes the following recommendations relating to preventing homelessness:

- Restore funding for the Tenant-in-Situ scheme to prevent homelessness among at-risk households.
- Restore second-hand, scatter-site acquisition targets and the accompanying budget to 2024 levels, as a means of preventing and ending homelessness.
- Increase HAP rates to reflect current average market rents and the 2% annual increase allowance under the RPZs. This will involve an investment of at least €110 million.
- Commit to a fully costed new Youth Homeless Strategy that includes upstream models to prevent youth homelessness.

<sup>7</sup> [Focus on Homelessness Report](#)

<sup>8</sup> [Housing Commission Report](#)



Since its introduction following the lifting of the moratorium on evictions in April 2023, the Tenant-in-Situ scheme has proven highly effective in preventing homelessness for thousands of households. It provided a crucial safety net for tenants who were issued with no-fault eviction notices, has allowed families to remain in their homes while simultaneously increasing the social housing stock available to local authorities and Approved Housing Bodies.

NOVAS has played an active role in the success of this initiative, working closely with local authorities to identify and secure suitable properties. Through this collaborative effort, NOVAS has been able to offer long-term housing solutions to at-risk households, reinforcing its commitment to preventing homelessness and supporting vulnerable tenants. Comparing Q1 and Q2 2024 to Q1 and Q2 2025, the number of households prevented from becoming homeless has declined.<sup>9</sup> In total, some 742 fewer adults were prevented from becoming homeless in the first six months of this year. The restrictions on Tenant-in-Situ have an important role to play in this.

We urge a reconsideration of the restrictions on the Tenant-in-Situ scheme, which have had adverse consequences for vulnerable households throughout the country, increasing homelessness at a time when the homeless system is under considerable pressure to meet demand. Rather than imposing restrictions, the scheme should be extended.

- **Recommendation:** Restore funding for the Tenant-in-Situ scheme to prevent homelessness among at-risk households.

To protect the commitment within the Programme for Government to increase Housing First targets to 2,000 tenancies, the appropriate funding allocation must be ring-fenced within Budget 2026. Currently, the tendering process for Housing First requires the successful AHB to purchase several properties for Housing First tenants. This is primarily done through second-hand acquisitions that are pepper-potted throughout local communities. The new limitations on CAS funding and the acquisition of second-hand properties by AHBs severely limits their ability to purchase such properties and prevents them from engaging in the programme. It is counterintuitive that on the one hand Housing First relies on the acquisition of scatter-site

<sup>9</sup> [March 2025 Monthly Homeless Report](#); [June 2025 Monthly Homeless Report](#)

properties to function and on the other hand to significantly curtail the acquisitions of such properties among local authorities and AHB's.

Housing First is just one scheme that utilises second-hand properties as its primary source of acquisition, these properties are also used more broadly as a vital pathway from homelessness. As already outlined in this submission, new housing supply has had little impact on reducing homeless figures, without further limiting exit pathways for such households.

- **Recommendation:** Restore second-hand, scatter-site acquisition targets and the accompanying budget to 2024 levels, as a means of preventing and ending homelessness.

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The Housing Assistance Payment (HAP) remains the largest exit route from homelessness in Ireland. As of the end of 2024, 53,742 households were in receipt of HAP.<sup>10</sup> Despite its critical role, the scheme is no longer fit for purpose. HAP was intended as a short to medium-term housing support measure. In the absence of adequate investment in social housing, HAP has become a de facto long-term solution for thousands of households. However, HAP payment rates have not kept pace with rising rental costs, making the private rental market largely inaccessible to HAP recipients, with no material change to rates since 2016.

NOVAS welcomes the Department of Housing's commitment to reviewing the HAP scheme. This must be done with urgency, considering the changes to Rent Pressure Zones planned for March 2026 and the thousands of household's dependants on this measure, who are among the most vulnerable renters in the country.

NOVAS recognises HAP supplements as a medium-term solution to the housing crisis and welcomes a move to directly supplied social and affordable housing. However, until supply ramps up to meet demand, HAP is critical to preventing and ending homelessness.

- **Recommendation:** Increase HAP rates to reflect current average market rents and the 2% annual increase allowance under the RPZs. This will involve an investment of at least €100 million (considering rent increases over nine years, projected rent inflation and the 2% allowable increase in RPZs).

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<sup>10</sup> [Ombudsman Investigation of The HAP Scheme](#)

The number of young people experiencing homelessness and living in emergency accommodation is rising. Indeed, the single biggest rise in homelessness is among young adults aged between 18 and 24 years. This cohort comprise just under 20% of all adults living in emergency accommodation for a number of years. They are also more predisposed to hidden homeless than older adults, relying on extended family and friends and moving frequently between houses.

While young people are particularly vulnerable in homelessness settings, they also find it more difficult to exit homelessness than older adults due to their limited life skills and their limited access to social housing and to the private rented market due to their age. The current Youth Homeless Strategy was warmly welcomed by the sector as a targeted intervention for young adults, particularly those in identified vulnerable groups. As the current strategy draws to a close, we urge government to fulfil its outstanding commitments within the strategy, commit to the co-production of a new Youth Homeless Strategy that is fully costed from the outset and includes the pilot of an upstream model that identifies and develops targeted interventions for teenagers at risk of homelessness. There are excellent international examples of such models that have had immense success in preventing youth homelessness, from which we can learn and adopt to an Irish context.<sup>11</sup>

- **Recommendation:** Commit to a fully costed new Youth Homeless Strategy that includes upstream models to prevent youth homelessness.

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<sup>11</sup> [Youth homelessness prevention upstream](#)

### 3. Homeless Service Provision

While we strongly urge government to pivot from reactionary homeless policies to those rooted in prevention and housing, homeless accommodation and supports should nonetheless be of high-quality, be delivered through the lens of trauma informed practice and be accessible for everyone who needs them. Despite approximately €360 million being spent on emergency homeless accommodation last year, there was still insufficient capacity to meet demand, with people resorting to rough sleeping and other highly precarious arrangements.<sup>12</sup>

Currently in Ireland, particularly in Dublin, most homeless accommodation is provided by private providers. The government needs to develop a targeted approach to reducing the state's reliance on such accommodation, with a housing-led solution for homeless people. The standard of homeless accommodation and the degree of support varies widely, in terms of bedroom occupancy, case management and the physical standard of buildings.

Single adults spend long periods of time living in homeless accommodation. As properties in the private rented market become increasingly scarce, so too do pathways from homelessness for single people. The social and emotional implication of protracted periods of homelessness is profound, as too are the financial implications for the state. As previously stated, the prioritisation of developing smaller units of accommodation within social housing stock and ringfencing such accommodation for people experiencing long-term homelessness is vital to addressing this issue.

Large families too, spend long periods in emergency homeless arrangements. The implications on childhood development continue to be documented. Homelessness has profound traumatic impacts on children's physical, mental, social and nutritional health. Today, close to 5,000 children in Ireland are experiencing homelessness. Many more are living in overcrowded, substandard, or otherwise unsuitable housing. The impact of this housing insecurity is profound.

NOVAS makes the following recommendations relating to homeless service provision:

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<sup>12</sup> [Focus on Homelessness Report](#)

- Provide high-quality homeless accommodation that prioritises single-room occupancy and a trauma informed approach to homeless service provision.
- Provide sufficient homeless accommodation so no one has to sleep rough, including people seeking international protection.
- Conduct a review to determine the full cost of providing homeless accommodation by the not-for-profit sector, with a view to achieving full cost recovery. Ringfence costings of full-cost recovery in Budget 2026.

The number of children experiencing child homelessness is growing at an alarming rate and the impact is profound. It is a deeply traumatic experience that induces feelings of shame, anxiety and sadness. The priority of government must be to prevent and end child homelessness, reducing the length of stay in emergency accommodation to less than six months. However, access to and the quality of homeless accommodation is also important to protecting children during this traumatic time in their lives. Increasingly, local authorities are operating waiting lists to access emergency accommodation or families are having to ‘self-accommodate’, contacting multiple hotels themselves and moving frequently. This practice must end. The government must ensure that children in homeless services have access to a child support worker and that all homeless service provision is delivered through the lens of trauma informed practice. Quality services must be appropriately funded.

Last year NOVAS put out a petition to end child homelessness, to date it has almost 1,000 signatures demanding an end of child homelessness.

Families with children are not the only cohort to spend long periods of time living in emergency accommodation, so too are single adults. While STA services are designed for periods of six months or less, many adults can live there for years, as exit pathways contract.

Homelessness is both a result of trauma and a traumatic experience itself. Clients can present with a myriad of complex needs relating to addiction, mental health, experience of state care, generational poverty and social isolation. Protracted homelessness can also compound such issues, as people lose hope of securing a home and become institutionalised due to the length of time in congregated settings.

Women who experience homelessness are particularly vulnerable, exposed to high levels of gender based and domestic violence. They are also overrepresented in the hidden homeless population, often reluctant to present to homeless services that are primarily male-dominated

environments. Developing services specifically for women, delivered through a gender and trauma lens, is essential to meeting the needs of this vulnerable and growing cohort of homeless people.

Homeless accommodation should be of high-quality and delivered through trauma informed practice. This is essential to enhancing the experience of people who are homeless and keeping the most vulnerable clients engaged in services.

- **Recommendation:** Provide high-quality homeless accommodation that prioritises single-room occupancy and a trauma informed approach to homeless service provision.
- **Recommendation:** Provide gender specific services for women who experience homelessness.
- **Recommendation:** Provide sufficient homeless accommodation so no one has to sleep rough, including people seeking international protection.
- **Recommendation:** Ensure all children in homeless services have access to a child support worker.

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Many not-for-profit providers are operating homeless accommodation services at a deficit. This is particularly the case for older services, where budgets have not been renegotiated for years or even decades. NOVAS provide several Supported Temporary Accommodation (STA) services that are running at a deficit, putting significant financial pressure on the organisation. For example, NOVAS oldest homeless service is currently running at an annual deficit of €406,661. The operating cost of the service in 2024 was €1,439,486, while government funding amounted to €1,032,825. We also provide other long-established services at sizable deficits.

While significant funding has been made available for new service provision, it has proved difficult for providers to renegotiate the budgets of existing services. Full cost recovery should be provided for all homeless services, as recommended by the City and County Managers Association earlier this year.

The government also needs to account for the full cost of homeless service provision in Budget 2026, rather than providing a mid-year supplementary budget, as has happened in preceding years.

- **Recommendation:** Conduct a review to determine the full cost of providing homeless accommodation by the not-for-profit sector, with a view to achieving full cost recovery. Ringfence costings of full-cost recovery in Budget 2026.
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## 4. Enhancing the Health and Wellbeing of the Homeless Population

People experiencing homelessness suffer significantly poorer physical and mental health compared to the general population. They die younger and suffer disproportionately from traumatic deaths. Those residing in emergency accommodation can display high rates of self-harm, suicidal ideation, and suicide attempts. Many present with complex and co-occurring conditions, particularly relating to addiction and mental illness, which are often exacerbated by the instability and trauma of homelessness.

According to the most recent figures from the Health Research Board, Ireland has one of the highest rates of drug-related deaths in Europe, with people experiencing homelessness being at particular risk. In addition to overdose, non-poisoning deaths and trauma-related fatalities are also disproportionately high.

Despite the rate of co-morbid physical, mental health, and addiction issues, our clients often face significant barriers in accessing mainstream healthcare and support services. The fragmented nature of service provision, combined with stigma and lack of targeted outreach, leaves many without the care they urgently need.

These facts underline the urgent need for Budget 2026 to prioritise targeted investment in health, housing, and support services for people experiencing homelessness. Failure to do so not only perpetuates a cycle of exclusion and preventable deaths, but places increasing pressure on emergency and acute healthcare systems.

NOVAS make the following recommendations relating to enhancing the Health and Wellbeing of the homeless population:

- Increase the homeless health budget by the Department of Health to €86.6 million to reflect the correlating increase in people experiencing homelessness during the same period.
- Fully cost & implement the Model of Care for People with Mental Health Disorder and Co-Existing Substance Use Disorder (Dual Diagnosis).
- Ringfence funding for step-down community housing for people leaving treatment.



Last year, the Department of Health announced €41million to meet the health needs of homeless people in Budget 2026. This was wholly insufficient to meet the needs of a homeless population that was growing at unprecedented rates and whose health needs were becoming more complex.

In January 2016 there were 5,715 people experiencing homelessness in Ireland and the budget allocation from the Department of Health at the time was €31.5million.<sup>13</sup> By January 2024, the homeless population had increased by 137% to 13,531 people and the health budget had increased to €41million. This was an increase of just 30% over the same period.<sup>14</sup>

This year we urge government to increase the health budget to reflect the number of people who are homeless.

- **Recommendation:** Increase the homeless health budget to €86.62 million to reflect the concurrent increase in people experiencing homelessness (this figure does not consider inflation during the interim period).

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In May 2023 the Model of Care for People with Mental Disorder and Co-existing Substance Use Disorder was launched.<sup>15</sup> The programme committed to developing:

- 12 adult specialist teams
- 4 adolescent hub teams
- A national dual diagnosis rehabilitation centre

To date, €3 million has been allocated to the programme for two adult and two adolescent teams. The national dual diagnosis rehabilitation centre is yet to open.

Rolling out this comprehensive, co-produced Model of Care will have significant positive impacts for homeless people with dual diagnosis of addiction and mental health. Too often our clients are bounced between services, both citing the other as the underlying cause, with some people dying in their endeavour to access services.

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<sup>13</sup> [January 2016 Monthly Homeless Report; Response to Parliamentary Question on Section 39 on Homeless Health](#)

<sup>14</sup> [January 2024 Monthly Homeless Report](#)

<sup>15</sup> [Model of Care for People with Mental Disorder and Co-existing Substance Use Disorder](#)

- **Recommendation:** Allocate €9m to establish the remaining adult and adolescent dual diagnosis teams.
  - **Recommendation:** Provide comprehensive costing for the establishment of a national dual diagnosis centre and ringfence said funding to open it.
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Many homeless people who engage in treatment return to homeless services upon discharge, as they have no housing alternatives. This has huge implications for maintaining recovery, building recovery capital and creating sustainable exit pathways from homelessness. NOVAS urges government to develop post-treatment, community housing for homeless people leaving recovery, as recommended by the Citizen's Assembly on Drugs. Without it, treatment is jeopardised as people return to homeless settings, often surrounded by people in active addiction. The correlation between stable housing and sustaining recovery has been well documented.

- **Recommendation:** Develop post-treatment, community housings for homeless people leaving treatment.
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Thank you for considering NOVAS' 2026 Pre-Budget Submission. Together with our partners in government, we are committed to providing quality services and housing to people who are experiencing homelessness, addiction and social marginalisation and will work towards our joint goal of ending homelessness by 2030.