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Dilapidation Bill: Scrutinising Key “Public Purse” Implications

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This Review of Costs aims to support the Assembly – that is, Members in their plenary, committee and constituency capacities – when scrutinising key potential financial implications for the “public purse”, if the Dilapidation Bill would be enacted as introduced and thereafter would be in receipt of Royal Assent. It relies on the Bill’s Explanatory and Financial Memorandum (EFM), as compiled by the Department for Agriculture, Environment and Rural Affairs (DAERA), and other relevant sources.

This information is provided to Members of the Legislative Assembly (MLAs) in support of their duties and is **not** intended to address the specific circumstances of any particular individual. It should **not** be relied upon as professional legal advice, nor as a substitute for it.

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Summary of key points

- The Dilapidation Bill (the Bill) was introduced in the Northern Ireland Assembly by the Minister for Agriculture, Environment and Rural Affairs (the AERA Minister) on 23 June 2025. The Bill aims to modernise existing Northern Ireland council powers within local government districts (LGDs), when addressing dilapidated, dangerous, or neglected buildings and sites, so that the prevailing legislation now would be amended to formally encompass ‘minor neglect’ to ‘serious disrepair’, and cover instances requiring ‘immediate action’ or those contributing to ‘health and nuisance’ issues.
- The Minister assumes the Bill’s implementation would be cost-neutral for the public purse, as noted in the Bill’s accompanying Economic and Financial Memorandum (EFM), if the Bill would be enacted as introduced and thereafter would be in receipt of Royal Assent. The EFM explains that the costs that councils in Northern Ireland would incur when exercising the proposed new enforcement powers would be expected to be recovered from relevant property owners within their districts – meaning said costs would not be absorbed by council budgets.
- However, that DAERA assumption is questioned by Building Control council officials from several Northern Ireland district councils. Those council officials challenge DAERA’s assumption, explaining it could prove unrealistic in practice based on council experience in this area and related data, as highlighted by those officials on 4 December 2025, when RaISe Public Finance Scrutiny Unit (PFSU) had sought relevant council data to inform its compilation of this Review of Costs. For example, the officials question the Bill’s proposed £500 fixed penalty under the Bill, to incentivise property owners to redress their dilapidated or dangerous properties. They draw on recent experience and related data to highlight how typical remediation costs for properties in Northern Ireland council districts can range from approximately £80,00-£90,000 for standard cases, approaching £2 million for complex sites. The officials maintain it is reasonably foreseeable that property owners of dilapidated or dangerous properties would be content to incur repeated £500 council fines under the Bill and pay

them, as that would be cheaper than paying costly repairs. And while that would generate modest council revenue, they question whether the Bill's proposed fine would appropriately incentivise property owner action to redress their dilapidated and dangerous sites.

- Analysis of Land and Property Services (LPS) vacancy data reveal approximately 34,500 vacant properties across Northern Ireland in September 2025, with significant geographic variation in both absolute numbers and vacancy rates. While 'vacancy' does not constitute 'dilapidation' – the former refers to a property recorded as unoccupied on the LPS rating system, and the latter refers to a building or site that is, due to its condition, detrimental to local amenity or poses a risk to public safety – there nonetheless is a strong connection between them, as highlighted by both the literature concerning these areas and the experience of Building Control council officials. Given so, 34,500 properties could require intervention under the Bill, with Belfast potentially accounting for approximately 7,000 vacant properties (20% of the total) and Fermanagh and Omagh approximately 3,200 (6%).
- Based on those data, it seems 5-10% of vacant properties could generate a total of somewhere between 1,725 – 3,450 enforcement cases for councils. If assuming said projected enforcement cases would occur, then Building Control council officials would have a fundamental concern that the Bill could increase public expectations regarding council enforcement activity, particularly for properties experiencing minor neglect, if the Bill would be enacted as introduced and then would be in receipt of Royal Assent. The officials advise current council practice under the existing legislation focuses on properties with 'extreme safety' issues, so the extended scope under the introduced Bill – that is, 'minor' to 'serious' and in need of immediate emergency action – if enacted, suggests more work in future for councils as they would be expected to intervene in relation to all such disrepair. It therefore would be reasonably foreseeable that such extended scope would increase expectation and demand for both the public and elected Members, and, in turn, could exceed current Building Control capacity and budgets in councils, as anticipated by Building Control council officials.

- Nonetheless, the DAERA Minister has confirmed the Bill's cost recovery provisions – including statutory charges on land enforceable as mortgages (Clause 13) and fees chargeable for dangerous structure notices (Clause 7). The Minister explained those Clauses are designed to ensure councils are not financially disadvantaged. The Minister confirmed in the Assembly Second Stage debate on 1 July 2025 that *“the inclusion of robust and effective cost-recovery provisions will ensure that councils are not disadvantaged”*¹. However, the discretionary nature of the powers means councils may prioritise cases according to their available resources. Members, including the Committee for AERA, may wish to seek further clarity from DAERA in this area, given noted Building Control council officials' concerns.
- Direct implementation costs that could be incurred by the Department for Agriculture, Environment and Rural Affairs (DAERA) when implementing the Bill, if enacted as introduced, were not quantified in the Bill's EFM. Those costs could arise for the DAERA from: developing multiple sets of secondary legislation; establishing monitoring frameworks for council enforcement activity; and, producing comprehensive operational guidance for councils. Comparative evidence concerning England's Section 215 enforcement powers under the Town and Country Planning Act 1990 evidence how even straightforward amenity-based enforcement regimes require substantial guidance (36 pages of best practice guidance, with case studies, templates and procedural flowcharts), both to enable and support consistent application.
- At the time of writing, however, DAERA has not publicly indicated what guidance would be produced. It also has not given an indication of what resources would be needed to produce said guidance, nor a related indicative timeline; though the Bill's accompanying EFM does state that it is not anticipated the Bill will have any financial effects on the Department.
- Since the Bill's introduction, other Departmental developments that are potentially relevant to Member deliberations on this Bill include: 18

¹ Official Report, Northern Ireland Assembly, Second Stage of the Bill, 1 July 2025, accessed [here](#).

November 2025, the Minister for Finance announced a planned policy direction to increase the non-domestic vacant rate from 50% to 75%, and then to 100%, which would increase financial pressure on vacant property owners², in addition to those that could arise under this Bill. Note that on 12 December 2025, the DAERA Minister acknowledged the need for cross-departmental working in “*removing the scourge of dilapidated buildings*”, noting this Bill and the proposed rating changes, along with the Minister for Communities’ regeneration role, collectively “*will all play a part...*”.³

- Throughout this Review of Costs, potential scrutiny points are listed to support Assembly scrutiny of the Bill as introduced.

² Department of Finance (2025), “O’Dowd sets out ambition to further support small businesses and revitalise town centres”, 18 November. Available [here](#).

³ AQW 36494/22-27, submitted 28 November 2025 and answered 12 December 2025. Available [here](#).

Introduction

On 23 June 2025, the Minister for Agriculture, Environment and Rural Affairs introduced the Dilapidation Bill (the Bill) in the Northern Ireland Assembly (the Assembly). The Bill confers new functions on the councils in each of the 11 local government districts (LGDs)⁴ across Northern Ireland to address dilapidated, dangerous, or neglected buildings and sites. If the Bill would be enacted as introduced and thereafter would be in receipt of Royal Assent, it would consolidate and update existing legislation; granting a range of powers, including the ability to issue maintenance notices, dilapidation notices, dangerous structures notices and defective premises notices, alongside both emergency action functions and enhanced cost recovery provisions, making council intervention more viable across a wider spectrum of disrepair – ‘minor neglect’ to ‘serious disrepair’, and to those situations that require immediate action.

This Review of Costs aims to support Northern Ireland Assembly Members in their plenary, committee and constituency capacities, when scrutinising key financial implications that could arise from the introduced Bill for the “public purse”, based upon the Bill’s accompanying Explanatory and Financial Memorandum (EFM). (A definition of the “public purse” is provided in **Insights – Box 1** of section 1 below.) In particular, this paper seeks inform where the EFM addresses:

- Potential direct and indirect costs that could arise from subsequent effects on LGD’s public expectations of councils – in particular, how the councils engage with dilapidated and dangerous buildings and sites within the LGD boundaries – while relying on both publicly available information at the time of writing and that highlighted by Building Control council officials on 4 December 2025, when the RaISe Public Finance

⁴ Northern Ireland’s LGDs were formerly known as district council areas (DCAs) prior to 2015, with each LGD represented by a City, Borough, or District Council. It should be noted that councils have notably less powers than the equivalent bodies in other jurisdictions. The Northern Ireland Local Government Association (NILGA) estimate that councils in Northern Ireland are responsible for approximately one-sixth of the powers and spending that councils in Scotland, Wales, and the Republic of Ireland possess, according to NILGA’s Councillor Guide 2023, available [here](#).

Scrutiny Unit (PFSU) had sought relevant council data to inform its compilation of this Review of Costs⁵.

- Potential direct costs that could arise from the establishment of protocols and processes likely to be necessitated by the Bill's enactment.
- Potential costs that could arise due to changing expectations arising from the enactment of the Bill.

The Paper is presented as follows:

1. [Background information](#)
2. [Potential financial implications: Direct costs](#)
3. [Potential financial implications: Cost recovery and increased expectations](#)
4. [Key takeaways](#)

When relying on this Review of Costs, please note:

- It should be read alongside RaISe Bill Paper NIAR 05-2025, dated 19 September 2025⁶.
- Identified key potential financial implications for the public purse are not intended to provide an exhaustive list.
- Any discussion regarding the prevailing law, including existing legislation, is not intended to provide legal advice or opinion. Instead, it seeks to orientate the Paper's discussion.
- Throughout, blue boxes provide potential scrutiny points and key insights, which aim to facilitate Assembly scrutiny of the introduced Bill.

⁵ On 4 December 2025, to secure relevant data in relation to dilapidated buildings, RaISe-PFSU engaged with Building Control council officials in Belfast City Council offices. Those data, including related discussion, have been relied on throughout this Review of Costs, as referenced. Such engagement primarily arose from the lack of published data concerning both the extent of dilapidated buildings across Northern Ireland and the relevant costs associated with addressing those buildings. Also, those officials would be the 'end-users' of an enacted Dilapidation Bill.

⁶ Cave, S. (2025). "The Dilapidation Bill", *RaISe Research Paper*, NIAR 05-2025. Available [here](#).

1 Background information

As the focus of this Review of Costs is potential financial implications for the public purse, a definition of the ‘public purse’ is provided below in **Insights – Box 1**:

Insights – Box 1: Definition of the ‘public purse’

The ‘public purse’ refers to taxpayers’ money raised through taxation, and other sources of government revenues.⁷

Government departments are custodians of the public purse and must use funds “efficiently, effectively and economically”, with Accounting Officers personally responsible for ensuring value for money.⁸

In Northern Ireland, this encompasses the Northern Ireland Block Grant from HM Treasury, revenues raised regionally, and other funding sources. As such, in the case of the Dilapidation Bill, introduced by DAERA, departmental spending is allocated through the Northern Ireland Executive Budget process, and, thus, any costs arising from the Bill would need to be met either within DAERA’s existing budget or through reallocation within the Executive’s overall spending envelope.

This Briefing Paper focuses on estimating public purse costs associated with the statutory powers that would be introduced if the Bill were enforced as introduced, or to inform with regards the extent of those costs, where direct data is unavailable.

⁷ Details on how Government Departments must handle taxpayers’ money are set out in *Managing Public Money*, published by HM Treasury, which is available [here](#).

⁸ The standards expected of the Accounting Officer’s organisation are outlined in Box 3.1 (page 25) of *Managing Public Money*, published by HM Treasury, which is available [here](#). The Accounting Officer, acting within the authority of the Minister(s) to whom they are responsible, must ensure the organisation meets the standards set out in the Managing Public Money policy.

Looking from the public purse perspective, this section then sets up section 2, which sets out brief background information, to provide context for public purse considerations regarding the Bill. First, it highlights the Bill's origins and timeline, before examining the potential scope of the Bill's impact through analysis of Land and Property Services (LPS) property vacancy data across Northern Ireland's 11 LGDs. Vacancy data are used as a proxy indicator – representing the maximum potential pool of properties that could require enforcement intervention under the Bill – as no comprehensive inventory of dilapidated buildings currently exists across Northern Ireland, as discussed in the next section.

1.1 Background

As of the time of writing, no comprehensive inventory of dilapidated or dangerous buildings across Northern Ireland has been established. That was confirmed by the DAERA Minister during the Bill's Second Stage debate under Assembly Standing Orders on 1 July 2025⁹, and no subsequent public announcement of such an inventory has been made.

It should be noted, however, that two partial registers do exist, but both are significantly limited in scope. The Heritage at Risk Northern Ireland (HARNI) register – a partnership between Ulster Architectural Heritage (UAH) and the Department for Communities – currently lists over 1,100 buildings and monuments considered “at risk” due to disrepair or lack of use, of which 879 are listed buildings (representing approximately 9% of Northern Ireland's listed building stock)¹⁰. Additionally, the Department for Communities commissioned a condition survey in 2023 of a sample of 1,504 listed buildings drawn from Northern Ireland's approximately 9,100 listed building stock¹¹. Neither register extends beyond

⁹ The Official Report of the Second Stage discussion of the Bill, which took place on 1 July 2025 in the Northern Ireland Assembly, can be accessed [here](#). In response to question regarding any list of buildings affected by the Bill, the DAERA Minister responded: “I will double-check with officials, and, if there is information, I will write to the Member, but I do not believe that there is an inventory of buildings currently”.

¹⁰ The HARNI register is available [here](#).

¹¹ Further details with regards to the listed buildings in Northern Ireland survey administered by the Department for Communities is available [here](#).

heritage-designated properties and neither constitutes a general dilapidation inventory.

Belfast City Council represents a partial exception at local level. The Building Control Service has previously conducted an internal city-wide survey identifying approximately 250 derelict, dilapidated and ruinous properties, assessed against a 12-category prioritisation matrix, conducted in 2007. However, in 2024, councillors proposed commissioning an updated survey across the council area, with concerns raised about the resource implications of doing so¹². It is not clear at the time of writing whether that updated survey has since been completed or published.

The absence of a statutory Northern Ireland-wide register stands in contrast to Ireland, where every local authority is legally required under the Derelict Sites Act 1990 to maintain and publish a public register of derelict sites^{13; 14}. This gap has practical implications for assessing the financial scale of the Bill's implementation.

As such, the introduced Bill aims to consolidate legislative powers and provide flexibility in the mechanisms that councils may use to address buildings and sites in a wide range of states of disrepair.

Central to it are its proposed introduction of a series of enforcement notices and related powers for councils in Northern Ireland relating to buildings and sites in terms of:

- Maintenance notices for premises and sites experiencing minor neglect,
- Dilapidation notices for premises and sites experiencing more serious disrepair, including the provision of demolition powers,
- Dangerous structure notices for premises and sites that pose immediate risk, including powers that allow for emergency action to be undertaken by councils, and

¹² Belfast Live (2024). "Belfast Council to look at dilapidation survey across city", 10 April. Available [here](#).

¹³ Ireland's Derelict Sites Act, 1990 is available [here](#).

¹⁴ Further summarised information with regards to derelict sites in Ireland, and the role of duties imposed by Derelict Sites Act, 1990, are available [here](#).

- Defective premises notices for premises that are deemed to be harmful to health or deemed to be causing nuisance.

The above notices ultimately place responsibility on the owners of the property or those who have an interest in the property. However, in the instance where a council must take action under the above notices, the Minister for AERA confirmed in the Assembly Second Stage debate that:

...no discrete funding provisions have been included in the Bill

and that:

In the cases in which district councils take enforcement action, there will potentially be costs to the owners of dilapidated properties. The inclusion of robust and effective cost-recovery provisions will ensure that councils are not financially disadvantaged¹⁵.

Moreover, the identified cost-recovery mechanisms referenced in the EFM¹⁶ are designed for revenue-raising as follows:

- **Fee charging:** Councils may charge fees for dangerous structure notices (Clause 7) and emergency action (Clause 10), with amounts to be specified in regulations by the Department in secondary legislation.
- **Fixed penalties:** £500 fixed penalties may be issued for breaches of maintenance notices and failure to provide information (Clause 19).
- **Material sales:** Councils may sell any materials removed from land when carrying out work (other than rubbish and waste), deducting recoverable costs before paying the remainder to the property owner (Clause 12(9)).
- **Statutory charges:** Costs are registered as charges on land until recovered, enforceable as mortgages (Clause 13).

As such, although the use of the powers provided under the introduced Bill is discretionary – meaning councils may choose whether and when to exercise them – costs will nonetheless be incurred when councils do so. The cost-recovery

¹⁵ Official Report, Northern Ireland Assembly, Second Stage of the Bill, 1 July 2025, accessed [here](#).

¹⁶ Commentary on Clauses, Clause 12, page 5 of the EFM (NIA 21/22-27 EFM). Available [here](#).

mechanisms outlined above are designed to offset those costs, so that no net expenditure falls on the public purse. In the Bill's Second Stage, the Minister stated councils would need to allocate adequate resources if the introduced Bill would be enacted, because the Bill does not specify discrete funding provisions. The discretionary nature of the powers that would be given to the councils, would allow for their flexibility – that is, to avail of the specified powers as their resources allow¹⁷.

1.2 Bill origins and related timeline

Not only does much of the existing legislation associated with dilapidated buildings date to the 19th century, but it is geographically confined. More recent legislation is narrow in scope, requiring buildings to be “seriously detrimental”, “prejudicial to health” or a nuisance. It was within this context that, in March 2016, what was then the Department of the Environment, conducted policy consultation in relation to dilapidated/dangerous buildings and neglected sites¹⁸. In response to that consultation, local councils strongly supported new powers in relation to addressing dilapidated structures, with stakeholders wanting robust cost recovery, clear guidance, and protection for heritage sites.

According to a draft Regulatory Impact Assessment (RIA) published by DAERA on 6 September 2024 regarding a New Dilapidated Buildings Regime¹⁹, there could arise differences in interpretation, resulting in the inconsistent application of current provision across councils. More specific legislation, in operation in other parts of the United Kingdom and the Republic of Ireland, has not been replicated in Northern Ireland^{20 21}.

¹⁷ Official Report, Northern Ireland Assembly, Second Stage of the Bill, 1 July 2025, accessed [here](#).

¹⁸ Department of the Environment (2016). *Dilapidated/Dangerous Buildings and Neglected Sites: Policy Consultation*. Available [here](#).

¹⁹ Department for Agriculture, Environment and Rural Affairs (2024). *New Dilapidated Buildings Regime: Draft Regulatory Impact Assessment (RIA)*. Available [here](#).

²⁰ Cave, S. (2025). “The Dilapidation Bill”, *Ra/Se Research Paper*, NIAR 05-2025. Available [here](#).

²¹ Commentary on Clauses, EFM (NIA 21/22-27 EFM). Available [here](#).

The RIA examined four policy options to address dilapidated and dangerous buildings, described as follows:

- Do nothing – maintain current arrangements deemed ineffective,
- Consolidate and amend – tidy up existing legislation with enhance cost recovery,
- New broader regime – create completely new legislation with enhance cost recovery (similar to that experienced in other jurisdictions), or
- New regime including financial support – option 3 plus government funding.

The RIA identified option 3 above as the preferred option and, as such, the Dilapidation Bill as introduced to the Assembly seeks to address the issue of low-level dilapidation before buildings become seriously deteriorated, provide mechanisms for dealing with premises already in various states of disrepair, provide councils with modern, fit-for-purpose enforcement powers – which are consistent across all district councils within Northern Ireland – alongside enhanced cost recovery provisions, and enhance the protection of heritage buildings.

1.3 Potential scope of the introduced Bill's impact

This subsection considers the potential scope of the Bill's impact, drawing on Land and Property Services (LPS) data recording property vacancies across Northern Ireland. As no existing inventory of dilapidated buildings exists, vacancy data is used as a proxy indicator to represent the maximum potential pool of properties that would require enforcement intervention under the Bill's powers, if enacted as introduced. The following subsections present data analysis undertaken by the RaISe-PFSU to examine vacancy trends, geographic distribution and the relationship between vacancy numbers and rates across the 11 council areas. The final subsection summarises the key findings and draws out potential implications for the public purse.

1.3.1 Available data

The RIA published in 2024²² – based on DAERA public consultation during the Bill’s development – highlighted that existing data challenges made it difficult to quantify dilapidated buildings in LGDs across Northern Ireland. However, that RIA references a study conducted for DAERA by Ulster University in 2018²³, which suggests there are approximately 1,600-1,700 dilapidated business properties in Northern Ireland, estimating a total cost of remediation in the region of £12.2 million. The RIA noted that further work would be needed to establish more robust data on the scale of dilapidation across Northern Ireland. However, at the time of writing, the RIA still relies principally on the 2018 Ulster University report as its primary data source. This is important to note, as that means current estimates may not reflect current conditions in Northern Ireland.

Moreover, as noted in RalSe Briefing Paper NIAR-05-2025²⁴, the 2018 Ulster University study is now seven years old, and both the scale of the problem and costs associated with remediation could be substantially different. For example, the cost of building materials in the United Kingdom has risen substantially in recent years due to various factors, including global supply issues, inflation, and compliance with new environmental and safety standards²⁵.

Other research findings to consider are the substantial available evidence highlighting a causal relationship between occupation of buildings and

²² The Regulatory Impact Assessment (RIA) published by DAERA in September 2024 is available [here](#). The RIA makes use of the consultation carried out in 2016 by DAERA, with the consultation document available [here](#).

²³ Ulster University (2018). *Report on the Scale of Dilapidated/Dangerous Buildings & Neglected Sites in Northern Ireland* (March) [commissioned by DAERA – DAERA reference: AE1/18/240387]. It should be noted that this report is not currently publicly available.

²⁴ RalSe Research Paper NIAR-05-2025 is available [here](#).

²⁵ The Building Cost Information Service (BCIS) notes that costs for essential materials like timber, bricks, steel, insulation, and concrete have increased dramatically in recent years, with some prices increasing by 20% to 80% due to global instability and supply chain issues. Overall, material prices rose over 40% from 2020 to 2023. Further insights from BCIS are available [here](#).

maintenance^{26; 27; 28; 29}. That was also highlighted during RaiSe-PFSU engagement with Building Control council officials, who identified occupancy as a major mitigating factor to dilapidation and disrepair. Although RaiSe-PFSU observes that factor need not necessarily always be the case, unoccupied buildings decay quickly nonetheless due the absence of regular maintenance and repairs. Due to this fact that unoccupied buildings tend to deteriorate rapidly in the absence of regular maintenance, this makes vacancy a useful – if imperfect – proxy indicator of potential dilapidation. As such, it vacancy could be seen as an indicator of potential dilapidation, as opposed to direct evidence of dilapidation. Thus, it seems useful to ascertain the Bill’s potential scope by analysing the rates of unoccupancy across Northern Ireland.

As data are available at a LGD level, RaiSe-PFSU prepared a proxy measure for exercise of the powers that would be bestowed by the Bill. Quarterly data are available with regards property vacancy through the LPS Statistical Branch³⁰. Quantities of properties recorded as ‘vacant’ under the LPS rating system have been analysed by RaiSe-PFSU, to provide useful context when scrutinising the potential scale of councils exercising the new powers under the Bill, if enacted as introduced and thereafter in receipt of Royal Assent. Moreover, such analysis allows for insights with regards the potential variability of remediation demand across LGDs jurisdictions. While vacancy data cannot directly estimate enforcement volumes under the Bill – as not all vacant properties are dilapidated or in a state of disrepair – such data nonetheless provide important context for

²⁶ Buitelaar, E., Moroni, S. and De Franco, A. (2021). “Building obsolescence in the evolving city: Reframing property vacancy and abandonment in the light of urban dynamics and complexity”, *Cities*, 108: 102964. The paper is available [here](#).

²⁷ The Permanent Laboratory on Places of Abandonment (ABB) at the University of Milan and the PIM Study Centre have conducted the Atlas of Abandonment project for the city of Milan, successfully identifying vacancy by various metrics, including observance of external conditions. Further information regarding the project is available [here](#).

²⁸ MacDonald, J., Jacobowitz, A., Gravel, J., Smith, M., Stokes, R., Tam, V., South, E. and Branas, C. (2025). “Lessons Learned from a Citywide Abandoned Housing Experiment”, *Journal of the American Planning Association*, 90(1): 159-172. The paper is available [here](#).

²⁹ Rose, G. and Harris, R. (2022). “The three tenures: A case of property maintenance”, *Urban Studies*, 59(9): 1,926-1,943. The paper is available [here](#).

³⁰ The Land and Property Services (LPS) data utilised in this analysis for “Quarterly Property Vacancy Rates by District Council and Sector” is available [here](#).

understanding the potential demand for and geographic distribution of enforcement activity. Insights from analysis of these data are presented below.

1.3.2 Assumptions and caveats

Alongside acknowledgement of vacancy as a proxy that indicates potential dilapidation, the analysis of LPS vacancy data for Northern Ireland in the following subsections is based on the following assumptions and underlying caveats:

- LPS vacancy data are compiled in three tranches, namely, “Domestic”, “Non-Domestic” and overall totals. Mixed properties – that is, properties that are a mix of Domestic and Non-Domestic – are included within Non-Domestic totals. All properties that have applicable council information are included in the LPS data. This includes, for example, caravans, domestic garages, domestic stores, shops, parking lots, offices, warehouses, etc.
- Section 25(2) of the Bill defines “[b]uilding” in the following fashion:
*...includes any other structure; and a reference to a building includes a reference to – (a) a part of a building, or (b) anything fixed to or projecting from a building*³¹.
- Section 25(3) of the Bill defines “land” in the following fashion:
*A reference to “land” in a provision of this Act which relates to premises within the meaning of section 11 (defective premises notice) includes a reference to a vessel*³².
- As such, the Bill utilises broad definitions that makes no distinction between residential, commercial, industrial, agricultural, or any other type of building or structure. The Bill also places no restrictions with regards application of specific powers. For example:
 - Section 1 (Maintenance notices) – applies to “a building or other land”³³,

³¹ Other definitions, General procedural matters etc., page 15 of the Bill [As Introduced] (NIA Bill 21/22-27), available [here](#).

³² Other definitions, General procedural matters etc., page 15 of the Bill [As Introduced] (NIA Bill 21/22-27), available [here](#).

³³ Detriment to local amenity, page 1 of the Bill [As Introduced] (NIA Bill 21/22-27), available [here](#).

- Section 4 (Dilapidation notices) – applies to “a building”, or “any land or premises”³⁴,
- Section 7 (Dangerous structures) – applies to any “building or structure, or part of building or structure”³⁵, and
- Section 11 (Defective premises) – applies to any “premises” (which includes vessels).³⁶
- The EFM also states that the Bill should aid councils in their regeneration efforts by helping address:

*...the vacant, and increasingly derelict, shop fronts and other structures that populate many town centres*³⁷.

- As such, none of these sections restrict the type of building by use class. On discussion with officials from Building Control units of various local councils, action is taken currently, when deemed necessary, on both residential and non-residential properties and sites. Within the Bill, the only exemptions specifically mentioned are:
 - Mines and quarries – Section 10(13) excludes these from emergency action provisions³⁸, and
 - Special consultation requirements – Section 17 requires consultation before issuing notices on “heritage sites” (listed buildings, conservation areas, historic monuments) but does not exempt them from the powers³⁹.
- Thus, the toolkit of powers that would be available under the Bill for councils is available for utilisation across a substantial scale of potential work, if enacted as introduced. Councils could exercise powers to address issues across a wide spectrum of properties, from derelict houses to abandoned factories, and from neglected boats to dangerous farm buildings. Subsequently, overall totals from the LPS data are utilised in the following

³⁴ Serious detriment to local amenity, page 2 of the Bill [As Introduced] (NIA Bill 21/22-27), available [here](#).

³⁵ Dangerous structures, page 4 of the Bill [As Introduced] (NIA Bill 21/22-27), available [here](#).

³⁶ Defective premises, page 7 of the Bill [As Introduced] (NIA Bill 21/22-27), available [here](#).

³⁷ Background and Policy Objectives, page 1 of the EFM (NIA 21/22-27 EFM), available [here](#).

³⁸ Dangerous structures, page 6 of the Bill [As Introduced] (NIA Bill 21/22-27), available [here](#).

³⁹ Miscellaneous functions of district councils, page 11 of the Bill [As Introduced] (NIA Bill 21/22-27), available [here](#).

analyses, which make use of both vacancy numbers across council areas, and vacancy rates. Definitions of both metrics and their relevance are detailed below in **Insights – Box 2**.⁴⁰

Insights – Box 2: Vacancy numbers vs. vacancy rates

Analysis of LPS data relies on two distinct metrics - namely:

- Vacancy numbers – refer to the absolute count of vacant properties in a given area (for example, Belfast has approximately 7,000 vacant properties).
- Vacancy rates – express vacant properties as a percentage of total property stock (for example, Belfast’s vacancy rate is approximately 4%, meaning 4 in every 100 properties are vacant).

Both metrics provide important, but different insights – those are: high numbers indicate greater overall potential enforcement demand; and, high rates may signal more acute proportional problems relative to the structure of local property markets.

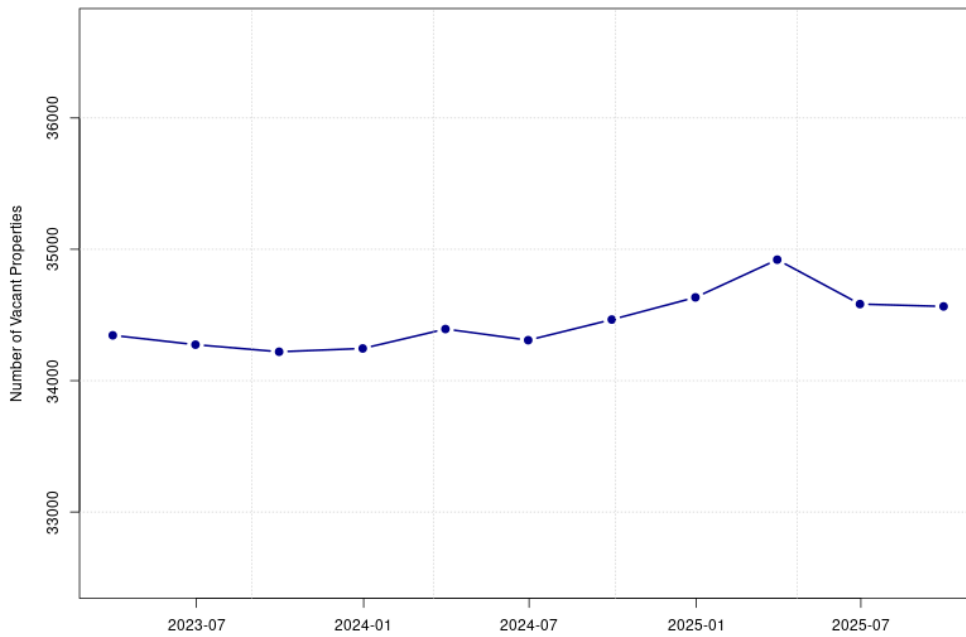
1.3.3 Overall trend analysis

Figure 1 below displays the trajectory of all property vacancies across Northern Ireland from March 2023 to September 2025. The data reveal relative stability with modest fluctuation between approximately 34,000 and 35,000 vacant properties. Notably, there was a gradual increase from March 2023 through mid-2025, when vacancies peaked at approximately 35,000 properties. However, by September 2025, vacancies had declined slightly to around 34,500 properties, suggesting a recent stabilisation or marginal improvement in the vacancy⁴¹:

⁴⁰ RaiSe-PFSU, relying on various sources. 14 March 2026.

⁴¹ OpenDataNI (2026). *Quarterly Property Vacancy Rates by District Council and Sector*. Available [here](#).

**Figure 1: All Property Vacancies in Northern Ireland
March 2023 - September 2025**

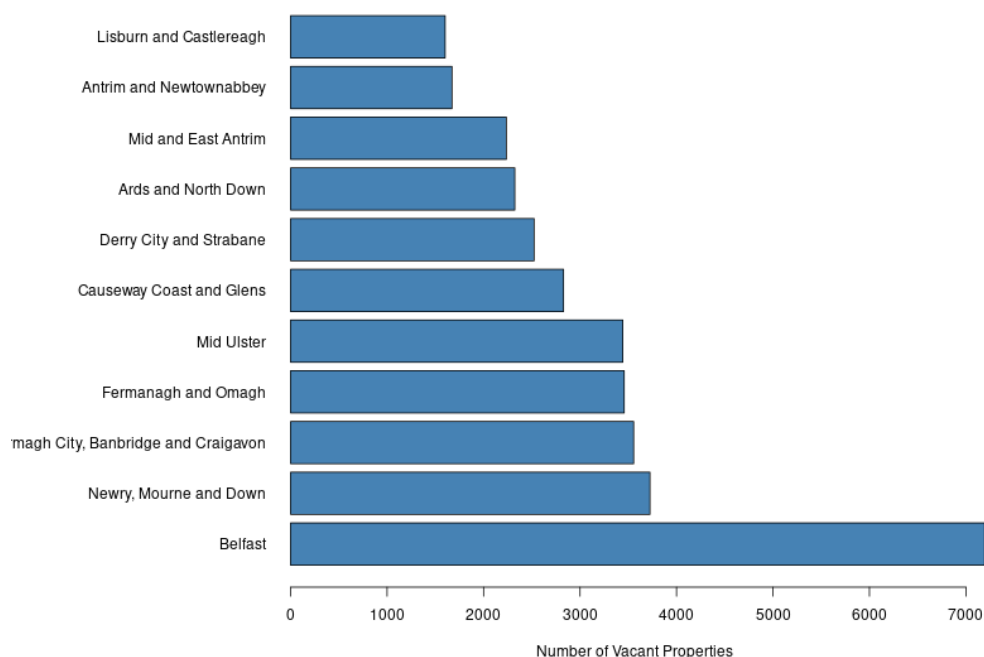


1.3.4 Geographic distribution of vacancies

Figure 2 below illustrates the absolute number of vacant properties by council as of September 2025. Belfast dominates the vacancy landscape with approximately 7,000 vacant properties – more than double any other council area. This is followed by Newry, Mourne and Down (approximately 3,700 vacancies), and a cluster of mid-sized councils including Armagh City, Banbridge and Craigavon, Fermanagh and Omagh, and Mid Ulster (each with around 3,000-3,500 vacancies). The councils with the lowest absolute vacancy numbers are Lisburn and Castlereagh and Antrim and Newtownabbey (each with approximately 1,500-1,700 vacant properties)⁴²:

⁴² OpenDataNI (2026). *Quarterly Property Vacancy Rates by District Council and Sector*. Available [here](#).

**Figure 2: Vacant Properties (All Types) by District Council
September 2025**



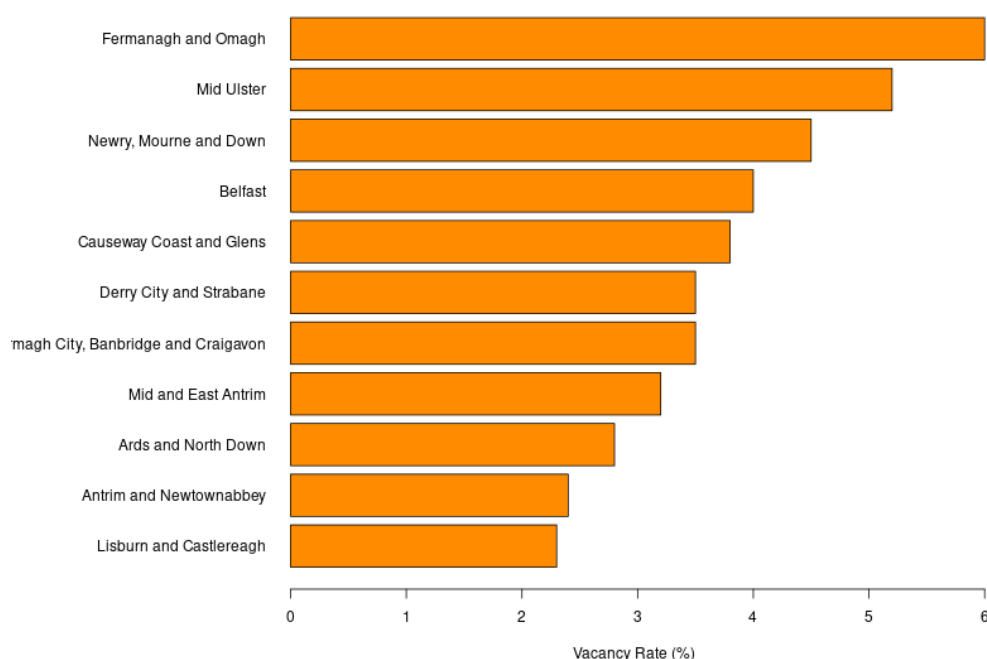
1.3.5 Vacancy rates: A different perspective

While Belfast has the highest absolute number of vacant properties, **Figure 3** below reveals that vacancy rates present a markedly different picture. Fermanagh and Omagh records the highest vacancy rate at approximately 6%, followed by Mid Ulster (5.2%) and Newry, Mourne and Down (4.6%). Belfast's vacancy rate, despite its high absolute numbers, sits at around 4% – suggesting that its large property stock dilutes the rate metric. Conversely, Lisburn and Castlereagh demonstrate the lowest vacancy rate at approximately 2.2%, indicating the most efficient property utilisation relative to its total property stock⁴³.

This divergence between absolute numbers and rates provides important insight for policy interpretation. High absolute numbers may indicate greater overall housing supply issues or urban concentration effects, while high rates suggest more acute localised vacancy problems that may warrant targeted intervention:

⁴³ OpenDataNI (2026). *Quarterly Property Vacancy Rates by District Council and Sector*. Available [here](#).

**Figure 3: All Property Vacancy Rates by District Council
September 2025**

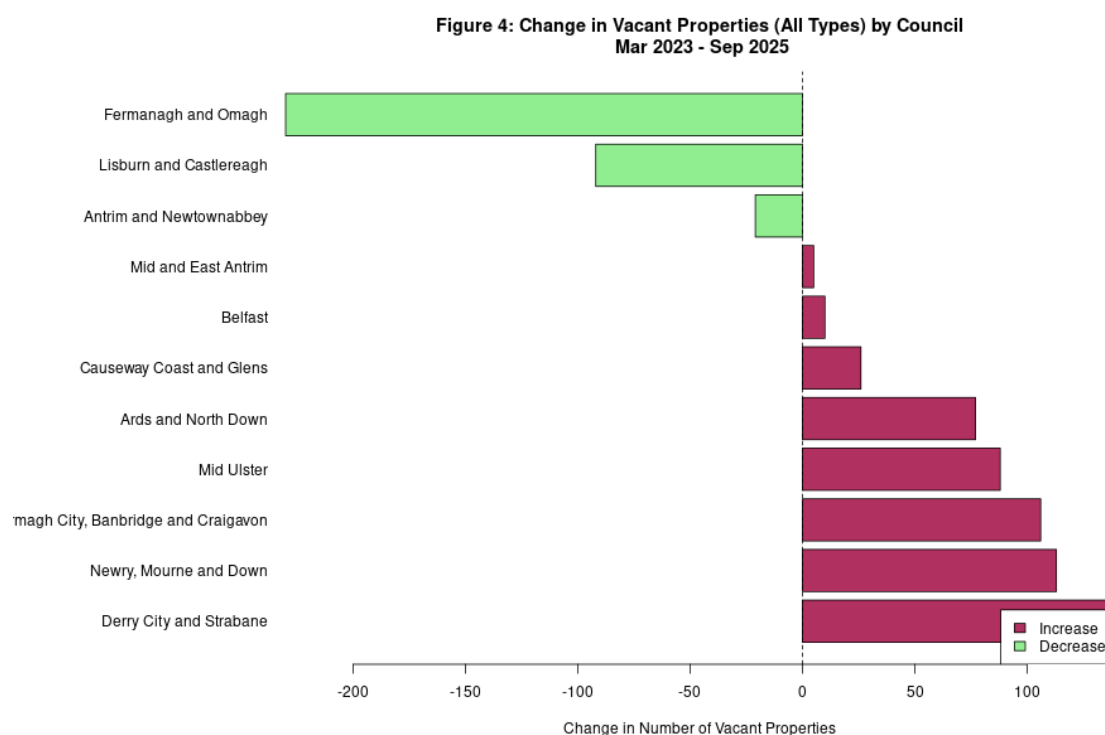


1.3.6 Changes over the analysis period

Figure 4 below presents the net change in vacant properties from March 2023 to September 2025, revealing considerable heterogeneity across councils. Only three councils experienced decreases in vacancy numbers: Fermanagh and Omagh (the most substantial reduction of approximately 180 properties), Lisburn and Castlereagh, and Antrim and Newtownabbey.

In contrast, eight councils saw increases in vacancies, with Derry City and Strabane recording the largest increase (approximately 140 properties), followed by Newry, Mourne and Down, Armagh City, Banbridge and Craigavon, and Mid Ulster. Mid and East Antrim showed the smallest increase. This mixed pattern suggests that vacancy trends are driven by local factors, rather than a uniform regional phenomenon⁴⁴:

⁴⁴ OpenDataNI (2026). *Quarterly Property Vacancy Rates by District Council and Sector*. Available [here](#).



1.3.7 The relationship between vacancy numbers and rates

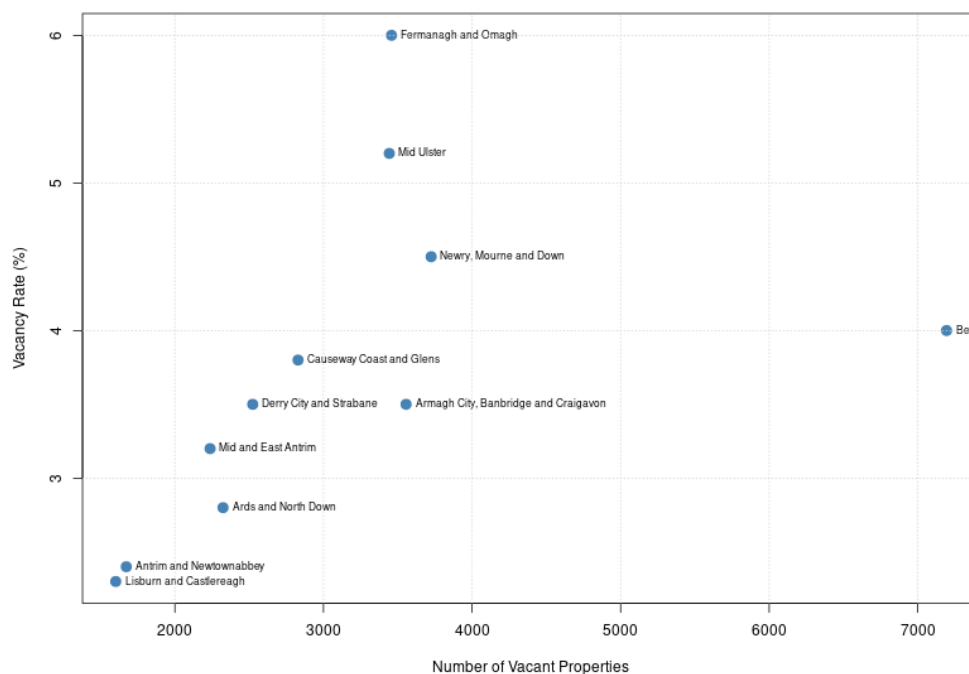
Figure 6 below explores the correlation between absolute vacancy numbers and vacancy rates across councils. The scatter plot reveals a moderately positive relationship, but with important outliers. Belfast represents a clear anomaly – its exceptionally high absolute vacancy count (7,000+ properties) corresponds with a moderate vacancy rate (4%), positioning it in the lower-right quadrant of the plot. This suggests Belfast's vacancy challenge is partly a function of its large property base, rather than proportionally excessive vacancies.

Conversely, Fermanagh and Omagh occupies the upper-middle section of the plot with the highest vacancy rate (6%) despite moderate absolute numbers (around 3,000-3,500 properties). This indicates a more acute proportional vacancy problem that may reflect rurality, depopulation, or economic challenges specific to that region.

The cluster of councils in the middle-left portion of the plot (including Lisburn and Castlereagh, Antrim and Newtownabbey, and Ards and North Down) demonstrates that smaller property stocks can correspond with lower vacancy

rates, potentially reflecting stronger local housing demand or more effective property management⁴⁵:

Figure 6: Relationship Between Vacancy Numbers and Rates (All Properties) September 2025



1.3.8 Vacancy rate volatility

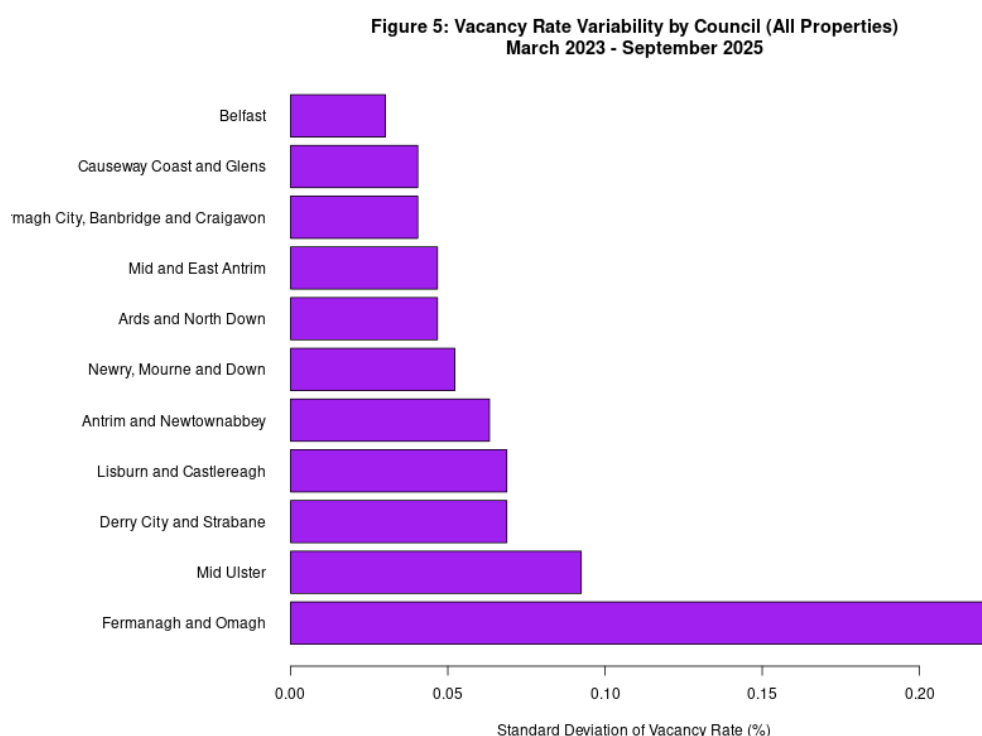
Figure 5 below examines the standard deviation of vacancy rates across the analysis period, revealing which councils experienced the most volatile vacancy conditions. Fermanagh and Omagh stands out with exceptionally high variability (standard deviation of approximately 0.22%), indicating notable fluctuation in its vacancy rate over time. This is consistent with **Figure 4** above, which showed that Fermanagh and Omagh achieved the largest reduction in vacancies, suggesting its vacancy situation improved markedly during the period.

Mid Ulster also demonstrates relatively high volatility (standard deviation around 0.09%), followed by Derry City and Strabane and Lisburn and Castlereagh (both approximately 0.07%). In contrast, Belfast exhibits the lowest variability (standard deviation around 0.02%), suggesting its vacancy situation remained relatively stable throughout the period. Causeway Coast and Glens, Armagh City, Banbridge

⁴⁵ OpenDataNI (2026). *Quarterly Property Vacancy Rates by District Council and Sector*. Available [here](#).

and Craigavon, and Mid and East Antrim also show low volatility (standard deviations between 0.03-0.05%).

This variability analysis has important policy implications. High volatility may indicate councils where vacancy patterns are responsive to local interventions, economic shocks, or seasonal factors, while low volatility suggests more entrenched, structural vacancy issues that may be harder to address through short-term policy measures⁴⁶:



1.3.9 The numbers-rates relationship (refined analysis)

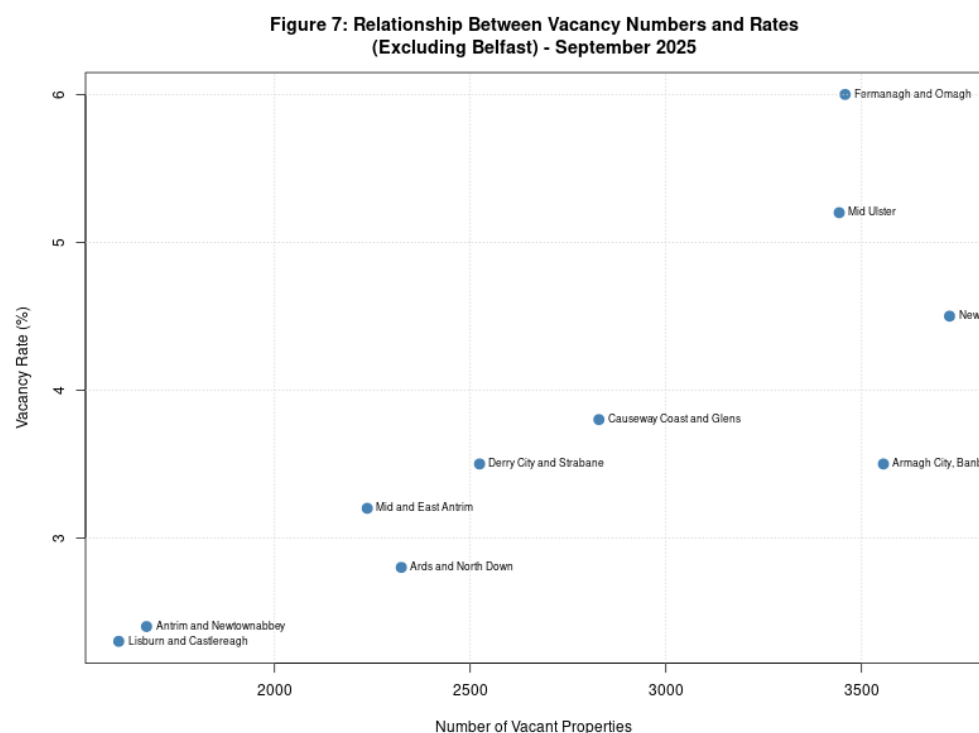
While **Figure 6** above showed the relationship between vacancy numbers and rates across all councils, Belfast's exceptional position as an outlier obscured the underlying pattern among other councils. **Figure 7** below addresses this by excluding Belfast, revealing a much clearer positive correlation.

With Belfast removed, the relationship between absolute vacancy numbers and vacancy rates becomes more pronounced. Councils with larger vacancy counts (3,000-3,700 properties) such as Fermanagh and Omagh, Mid Ulster, and Newry,

⁴⁶ OpenDataNI (2026). *Quarterly Property Vacancy Rates by District Council and Sector*. Available [here](#).

Mourne and Down consistently demonstrate higher vacancy rates (4.5-6%), while councils with fewer vacant properties (1,500-2,500) such as Lisburn and Castlereagh, Antrim and Newtownabbey, and Ards and North Down exhibit lower rates (2.2-2.8%).

This refined analysis suggests that, outside of Belfast's unique urban context, there is a genuine association between the scale of vacancy problems and their intensity. Councils with more vacant properties typically face proportionally higher vacancy challenges, potentially reflecting common underlying drivers such as rural depopulation, economic decline, or housing market imbalances. Belfast's divergence from this pattern – combining high absolute numbers with moderate rates – likely reflects its status as a major urban centre with a large, diversified property stock that absorbs vacancies differently than smaller, more homogeneous council areas⁴⁷:



1.3.10 Summary of key findings and implications for the public purse

⁴⁷ OpenDataNI (2026). *Quarterly Property Vacancy Rates by District Council and Sector*. Available [here](#).

Analysis of the vacancy data across councils provides useful context with regards the extend of vacancy in Northern Ireland, and by extension, potential for dilapidation, which may result in demand for utilisation of the powers provided by the Bill, if enacted as introduced⁴⁸. A summary of key insights from the above vacancy analysis, encompassing subsections 1.3.3 to 1.3.9, are as follows⁴⁹:

- **Overall stability with recent improvement:** After rising to 35,000 in mid-2025, total vacancies declined slightly to 34,500 by September 2025.
- **Belfast's dominance in absolute terms:** Belfast accounts for approximately 20% of all vacant properties in Northern Ireland, but its vacancy rate is moderate and highly stable over the period analysed.
- **Fermanagh and Omagh faces the most acute proportional challenge – although numbers are improving:** Despite having the highest vacancy rate, it also shows the greatest volatility and achieved the largest reduction in vacancies, suggesting successful interventions or improving local conditions.
- **Divergent local trends:** Some councils reduced vacancies (notably Fermanagh and Omagh), while others saw increases (particularly Derry City and Strabane), indicating localised drivers.
- **Volatility reveals may reflect policy responsiveness:** High-variability councils like Fermanagh and Omagh, Mid Ulster, and Derry City and Strabane may be more responsive to interventions, while stable councils like Belfast may have more entrenched vacancy patterns.
- **Strong correlation outside Belfast:** Excluding Belfast reveals that councils with more vacant properties generally face higher vacancy rates, suggesting common structural drivers across non-urban areas. Belfast's

⁴⁸ Once more, it is important to note that vacancy is not equivalent to dilapidation. One may consider the total number of vacant properties (approximately 34,500 in total) as representing an upper bound; the maximum possible pool of properties that might be dilapidated, or which have an increased risk of becoming dilapidated. Analysis of the vacancy data also provides context by demonstrating the heterogeneity in geographic distribution, offering insights with regards which councils might face greater enforcement demands.

⁴⁹ This analysis utilised data from: OpenDataNI (2026). *Quarterly Property Vacancy Rates by District Council and Sector*. Available [here](#).

unique position as an outlier reflects its distinct urban housing market dynamics.

The vacancy analysis presented above provides useful context for understanding the potential scale and geographic distribution of enforcement activity that may arise following the enactment of the introduced Bill. While it is essential to emphasise that vacancy does not equate to dilapidation, the data nonetheless offer important insights into the potential demand for exercise of the powers created under the Bill, if enacted as introduced.

With approximately 34,500 vacant properties across Northern Ireland as of September 2025, that figure represents a theoretical upper bound, which may be interpreted as the maximum pool of properties that might require intervention under the Bill's provisions. In reality, only a subset of these vacant properties will be dilapidated, dangerous, or neglected to the extent that warrants enforcement action. However, even if councils were to exercise their powers in relation to a small fraction of these properties – for example, 5-10% – this would still represent between 1,725 and 3,450 potential enforcement cases across Northern Ireland⁵⁰.

The geographic distribution revealed in the analysis has important implications for resource allocation and potential costs. Belfast's 7,000 vacant properties suggest that Belfast City Council may face the highest absolute volume of enforcement demands, even though its vacancy rate is moderate. Conversely, Fermanagh and Omagh's high vacancy rate (6%) combined with its volatility suggests that this council may experience particularly acute challenges, potentially requiring proportionally more intensive intervention relative to its property stock.

The Bill's broad definitions of “building”, “land”, and “premises”, which encompasses a wide range of properties, means that councils' enforcement responsibilities span an exceptionally wide spectrum of property types. This creates significant uncertainty regarding potential costs, as enforcement action on a small residential property will be vastly different in scale and complexity from

⁵⁰ RaISe-PFSU calculation, based on 5-10% of approximately 34,500 vacant properties recorded by LPS. Source of data: OpenDataNI (2026). *Quarterly Property Vacancy Rates by District Council and Sector*. Available [here](#).

intervention on a large industrial site or commercial building. The cost-recovery mechanisms outlined in the Bill assume that councils will recoup their expenditure from property owners, however, the feasibility of cost recovery will vary considerably depending on property type, ownership structure, and the financial circumstances of those responsible for the property. Indeed, discussions with Building Control units from various councils note that the cost incurred from undertaking remediation vary widely, from tens of thousands of pounds per property, to those in the region of £1-2 million per site⁵¹.

Moreover, the analysis reveals that vacancy patterns are highly localised, with some councils experiencing decreasing vacancies, while others face increases. This divergency suggests councils will face different resource pressures; yet the Bill makes no provision for differential needs or support based on local circumstances. Councils experiencing increasing vacancy (such as Derry City and Strabane, which saw a 140-property increase) may face growing enforcement demands, while those with declining vacancy (such as Fermanagh and Omagh) may still face acute challenges given their high vacancy rates.

Importantly, and as discussed in subsequent sections, the Bill's enactment may create increased public expectations for council intervention across the full spectrum of disrepair, from minor neglect to dangerous structures. Currently, according to Building Control council officials⁵², it is typical for councils to engage with only the most extreme cases where immediate health or safety concerns exist. The introduction of maintenance notices for properties experiencing only minor neglect may generate significant additional demand for enforcement activity, as residents and communities increasingly call upon councils to address properties at the lower end of the dilapidation spectrum. That potential shift in expectations represents a critical consideration for understanding the Bill's financial implications for the public purse, as councils may face pressure to act on a far broader range of properties than currently addressed.

⁵¹ Based on discussions between RaISe-PFSU and representatives from Building Control Units, held on 4 December 2025, in Belfast City Council offices.

⁵² Based on discussions between RaISe-PFSU and representatives from Building Control Units, held on 4 December 2025, in Belfast City Council offices.

The following section examines the key potential financial implications identified in the introduction to this Paper. It considers, first, the potential direct costs associated with implementing the Bill's provisions – specifically those arising from regulatory development, monitoring and oversight, and guidance development. It then examines the indirect costs that may arise from heightened public expectations and increased enforcement activity resulting from the Bill's enactment.

2 Potential financial implications: Direct costs

The Bill's Explanatory and Financial Memorandum (EFM) states “[i]t is not anticipated that the Bill will have any financial effects on the Department”⁵³. In relation to council costs, the EFM states that where notices have been issued, but emergency action has had to be undertaken by a council, the respective council “may recover its costs from the relevant person where it has taken the necessary remedial action itself”⁵⁴. As such, the Bill does not foresee any net costs to the public purse from implementation of the Bill, either at the departmental or local government level, including from costs arising from subsequent delivery of actions established in the toolkit of functions bestowed upon local councils by the Bill.

Notwithstanding the EFM's position, the extent and nature of the implementation requirements necessitated by the Bill – and their associated costs – have not been articulated by DAERA. The remainder of this section examines three categories of direct implementation costs that are reasonably foreseeable: regulatory development, monitoring and oversight, and guidance development.

2.1 Regulatory development

The Bill requires the DAERA to develop various sets of regulations, as outlined in the following clauses and schedules – those are:

- Fees for dangerous structure notices (Clause 7),

⁵³ Financial Effects of the Bill, page 7 of the EFM (NIA 21/22-27 EFM), available [here](#).

⁵⁴ Commentary on Clauses, Clause 12, page 5 of the EFM (NIA 21/22-27 EFM), available [here](#).

- Fees for emergency action (Clause 10(5)),
- Fixed penalty procedures (Schedule 1, paragraph 12),
- Heritage site definitions (Clause 17(4)), and
- Consequential amendments (Clause 26).

The regulations – secondary legislation – would fill in the detailed rules that would be brought forward under the primary legislation, as outlined in the Bill. Although the Bill’s EFM states “*it is not anticipated that the Bill will have any financial effects on the Department*”⁵⁵, the process of developing said regulations would involve a series of steps that could utilise a range of departmental resources and potentially require external input. Regulation-making typically involves significant resource commitment, as outlined in the following paragraphs.

Development of the regulations would require DAERA civil servants to draft the detailed rules, involve internal consultation with legal advisors, and consultation with councils and stakeholders (as required by Schedule 1 12(2) of the Bill). Legal drafting then would need to be carried out, requiring legislative drafters to convert policy into legal text, which could involve several drafts and revisions, culminating in final legal review for compliance. Once consultation would be carried out, responses analysed and regulations developed, they then would be scrutinised by the Assembly, as specified under this Bill – that is, “draft affirmative resolution” procedure (Clause 28(2)) under Standing Orders⁵⁶ – for example, draft regulations relating to the value of fixed penalties and the definition of a “heritage site”. Finally, those regulations would require publication, with the need to notify and train district councils on the implementation of the various regulations.

⁵⁵ Financial Effects of the Bill, page 7 of the EFM (NIA 21/22-27 EFM), available [here](#).

⁵⁶ The draft affirmative resolution procedure, as provided for under Standing Order 41 of the Northern Ireland Assembly, requires that a draft of proposed regulation must first be laid before the Assembly and approved by resolution before the regulations can be made. This affords the Assembly – and the relevant statutory Committee – an opportunity to scrutinise the content of proposed regulations before they take legal effect. This is in contrast to the negative resolution procedure, under which regulation take effect unless the Assembly resolves to annul them within a specified period.

As such, RaISe-PFSU considers that potential costs arising for the public purse in the following areas are reasonably foreseeable:

- Regulation and policy development,
- Consultation and legal drafting,
- Assembly scrutiny and processes, and
- Publication and facilitation of district council training in relation to the regulations.

The above costs would likely take the form of policy and legal officer time, public consultation execution and analysis of responses, and preparation of legal papers and committee appearances in relation to Assembly processes (where required), as highlighted below in **Insights – Box 3**.

Insights – Box 3: Learning from experience in this area in England and Wales

While the introduced Bill in Northern Ireland is considerably narrower in scope than major building safety reform programmes in other jurisdictions within the United Kingdom, comparative evidence provides useful context regarding the time and resources required to develop secondary legislation and associated guidance.

The Building Safety Act 2022⁵⁷ in England and Wales – which introduced far-reaching reforms to building safety regulation following the Grenfell Tower tragedy – provides instructive context, albeit at a much larger scale. The United Kingdom Government's guidance under said Act states explicitly that:

⁵⁷ The Building Safety Act 2022 can be found [here](#). This Act serves as a comparator for the resource requirements of developing secondary legislation following enactment of a primary bill. It is not cited as a substantive direct legislative parallel to the Dilapidation Bill's provisions.

Many of the detailed provision in the Act will be implemented over the next two years through a programme of secondary legislation⁵⁸.

Said Act received Royal Assent on 28 April 2022, yet the full regulatory framework only became operational on 1 October 2023 – representing an 18-month period dedicated to developing the necessary subordinate legislation, guidance documents, and implementation materials. This timeline reflects the complexity of translating primary legislation into operational regulatory frameworks, even with substantial departmental resources dedicated to the task.

While the Dilapidation Bill's regulatory requirements are considerably more modest – primarily fee-setting regulations (Clauses 7 and 10) and procedural requirements for notices and appeals (Clauses 19, 21, 22 and 28) – the Building Safety Act example demonstrates that developing even straightforward subordinate legislation requires significant policy development, legal drafting, consultation, and stakeholder engagement.

DAERA has not provided specific timelines or resource allocation for developing the Bill's necessary regulation, making it difficult to assess whether adequate provision would be available within existing departmental resources.

Given the above discussion concerning key potential costs associated with the use of resources to develop regulatory protocols that offer a framework for implementation of the Bill, Members – in their plenary, committee and constituency capacities – may wish to consider the below scrutiny points in **Box 1**:

Potential scrutiny points – Box 1

⁵⁸ The United Kingdom Government's guidance on The Building Safety Act 2022 can be found [here](#).

1. If the Bill would be enacted as introduced, would any costs arise when formulating the regulations specified in the Bill – would they be fully absorbed within DAERA’s budget, or would DAERA need to go to the Executive for additional allocation?
2. What is DAERA’s estimated cost to formulate the regulations specified in the Bill, if enacted as introduced? Please provide itemised breakdowns – for example, for the following:
 - Regulation development and internal consultation,
 - External drafting by legal advisors,
 - Assembly scrutiny processes (where applicable), and
 - Publication and implementation support.
3. If the Bill would be enacted as introduced, what is DAERA’s timeline – indicative or other - for developing, laying before the Assembly and implementing each set of regulations; and in what order of priority?
4. What DAERA contingency plans exist if regulatory development takes longer than would be anticipated?
5. What consultation strategy has DAERA developed for engaging with the following when it would be developing the regulations:
 - District councils,
 - Heritage bodies and the Department for Communities,
 - Property owners’ representatives, and
 - Legal practitioners?
6. What are the anticipated DAERA consultation costs when formulating the regulations, including any public consultations required under Schedule 1, paragraph 12(2)?

7. Has the DAERA engaged with district councils in advance of formulating the regulations to understand their operational needs – for example, what fee levels would be practicable for dangerous structure notices and emergency action (Clauses 7 and 10), and what procedural requirements councils would need the regulation to address to enable consistent implementation across Northern Ireland’s 11 LGDs?
8. Has the DAERA identified any risks that could increase regulatory development costs beyond initial estimates – for example, contentious consultations, legal challenges and or Assembly amendments?

2.2 Monitoring and oversight

While not explicitly required under the introduced Bill, it seems reasonable to believe that effective implementation would involve the DAERA both to monitor how councils would use their new powers and to assess whether the Bill would achieve its intended policy objectives. In its current form, neither the introduced Bill, nor its accompanying EFM, provide information about such monitoring and oversight expectations or associated costs.

Nonetheless, it is reasonably foreseeable that effective monitoring and oversight would be needed, involving several components and execution of series of related activities. The following sub-sections seek to look at costs for the public purse that could arise in this area.

2.2.1 Monitoring requirements

A variety of requirements could be needed to effectively and appropriately monitor implementation of the Bill, if enacted as introduced, as described below:

- **Data collection systems:** It seems reasonable that a variety of data collection systems would be required to record the number and type of notices issued by each council, including the outcomes of any such notices (compliance, appeals, enforcement action). Cost recovery rates would also

likely be collected, including information pertaining to any fixed penalties issued and those which have been paid. Finally, the use of emergency powers (under Section 10 of the Bill) would need to be recorded, if a council would deem action to be required to remove the danger associated with buildings in severe conditions, after an assessment of the property (including event likelihood) would have been carried out.

- **Performance monitoring:** It also seems reasonable that oversight also would be required to monitor performance with regards implementation of the Bill. Consistency of enforcement across councils would be recorded to ensure the Bill would be appropriately applied across all areas, and the Department would wish to track the time taken from notice to resolution when councils exercise the protocols of the Bill. It would be likely that success rates for different notice types would be recorded, alongside more general trends in property conditions across regions.
- **Financial monitoring:** Alongside performance monitoring, it seems reasonable that financial monitoring would likely be necessary. This would include expenditure on enforcement across councils, cost recovery achieved, revenue raised by fixed penalty issues, and general administrative costs associated with implementation of the Bill. DEARA would likely require such information to adequately assess the financial burden that the Bill places on councils.
- **Quality assurance:** It seems reasonable that significant procedures would be required to ensure effective and appropriate quality assurance would be undertaken. That would include review of notice quality and legal compliance, analysis of appeal outcomes and reasons, and identification of systemic issues or training needs.

2.2.2 Oversight activities

It seems reasonable that a range of activities would need to be undertaken to ensure effective oversight of implementation of the Bill, as described below.

- **Regular reporting**
 - Annual reports to the Northern Ireland Assembly on bill implementation,

- Statistical release on enforcement activity, and
- Evaluation reports on policy effectiveness.
- **Support and coordination**
 - Facilitation of inter-council knowledge sharing,
 - Resolution of interpretation questions, and
 - Coordination with other relevant departments (Communities, Justice, etc.).
- **Review and evaluation**
 - Post-implementation review of the bill's effectiveness,
 - Identification of needed legislative or guidance amendments, and
 - Assessment of unintended consequences.

2.2.3 Information gathering powers

Clause 16 under the introduced Bill would empower councils to require information from property occupiers and rent recipients, but the Bill would not explicitly require councils to provide information to DAERA about their enforcement activities. It therefore seems DAERA would need to:

- Establish voluntary reporting arrangements,
- Issue directions under separate powers requiring data provision, and/or
- Rely on ad hoc information requests.

Given the above-noted potential needs for the establishment of monitoring and oversight, Members – in their plenary, committee and constituency capacities – may wish to consider the scrutiny points below in **Box 2**:

Potential scrutiny points – Box 2

9. What monitoring framework does DAERA intend to establish to assess the Bill's implementation and effectiveness?
10. Will DAERA require councils across Northern Ireland to provide regulator data on:

- Enforcement activity (numbers and types of notices)?
 - Outcomes and compliance rates?
 - Costs incurred and recovered?
 - Appeals and their outcomes?
11. What IT systems or data collection mechanism would be needed to gather and analyse those data? What would be the associated costs for:
- DAERA to develop central monitoring systems?
 - Councils to report data to DAERA?
12. Does DAERA intend to require annual reports to the Assembly regarding the Bill's implementation – the regulations, would they require that? If so, what resources would be allocated for that purpose; what would DAERA estimate at this time?
13. Would DAERA establish mechanisms for:
- Inter-council coordination and knowledge sharing?
 - Quality assurance of council enforcement activity?
 - Identification and dissemination of best practices?
 - Processes for post-implementation review of the Bill?
14. In addition, when would DAERA anticipate conducting:
- An implementation review (for example, after 1-2 years)?
 - A comprehensive effectiveness review (for example, after 3-5 years)?
15. Has DAERA considered the resource implications of responding to the following in future:

- Assembly Questions about the Bill’s implementation?
 - Freedom of Information requests about related enforcement activity?
 - Complaints about council enforcement decisions?
16. What mechanisms would exist for councils to report to DAERA implementation challenges, resource constraints and or unintended consequences? If any, what would be the resource implications for those?
17. Would DAERA establish a stakeholder forum or advisory group to review implementation experiences and recommend improvements? If any, what would be the resource implications for those?
18. The Bill contains no statutory review mechanism. How, therefore, does DAERA intend to assess whether the Bill is achieving its policy objectives and representing value for money for the public purse? In particular:
- How will DAERA measure reduction in dilapidation and improvements to local amenity across LGDs over time?
 - How will DAERA assess whether the powers available to councils have proven effective in addressing dangerous structures in practice?
 - How will DAERA evaluate whether cost recovery by councils has been sufficient to make enforcement financially sustainable, without recourse to additional public funding?
 - At what intervals does DAERA intend to conduct such assessments, and will findings be reported to the Assembly?

2.3 Guidance development

It seems that the introduced Bill, if enacted, would merit comprehensive guidance to support consistent implementation across councils:

- Statutory Guidance for Councils: Detailed operational guidance covering:
 - Assessment criteria for each notice type,
 - Evidence standards for establishing “detriment to local amenity”,
 - Procedural checklists for notice preparation and service,
 - Cost recovery best practices,
 - Risk assessment frameworks for prioritising cases, and
 - Interaction with heritage conservation requirements (Clause 17).
- Public-Facing Guidance: Materials explaining:
 - Property owners' responsibilities under the Act,
 - Appeal rights and procedures,
 - Financial assistance or hardship provisions (if any), and
 - Maintenance standards to avoid enforcement.
- Training and Capacity Building:
 - Training courses for Building Control officers on new powers,
 - Legal workshops on appeals and court procedures,
 - Workshops for elected members on their role and limitations, and
 - Inter-council forums for sharing best practices.
- Development Process: Producing high-quality guidance requires:
 - Drafting by policy officials with technical input from Building Control practitioners,
 - Consulting with councils, legal experts, and stakeholder groups,
 - Pilot testing and revision based on early implementation experience, and
 - Translating into accessible formats for diverse audiences.

In December 2025, Building Control council officials strongly emphasised to RaISE-PFSU the need for such comprehensive guidance, to provide them with clear direction in terms of assessment criteria when implementing the Bill's provisions, along with related evidence standards and a distinction between different notice types. This underscores that the production of comprehensive operational guidance is not optional – without it, councils are likely to apply the

Bill's powers inconsistently across Northern Ireland's 11 LGDs, undermining the Bill's stated aim of providing a modern, consistent enforcement regime. The resource implications of producing such guidance therefore represent a direct and reasonably foreseeable cost to DAERA, which the Bill's EFM does not acknowledge or quantify.

It appears from the Bill's EFM that DAERA expects the councils to implement their powers under the new legislation, using their existing budgets and procedural structures – meaning any resource implications arising under the Bill would be absorbed. However, given the anticipated wide-ranging nature of said powers, councils fear current procedures would not have the capacity and scope, especially if specific DAERA guidance would be absent.

2.3.1 Comparative evidence: Section 215 Guidance in the Town and Country Planning Act 1990

Similar enforcement powers in England provide instructive precedent regarding the scope and resource requirements of guidance development. Section 215 of the Town and Country Planning Act 1990 grants powers to local planning authorities (LPAs)⁵⁹ to address land and buildings whose condition adversely affects the amenity of an area. Thus, they are broadly comparable to the Dilapidation Bill's maintenance and dilapidation notice provisions⁶⁰. Under that

⁵⁹ Local Planning Authorities (LPAs) represent the local government bodies responsible for planning and enforcement functions throughout England and Wales. As such, they possess similar functions to those of the councils with Northern Ireland's LGDs.

⁶⁰ Section 215 (s215) of the Town and Country Planning Act 1990 shares several core features with the Dilapidation Bill's maintenance and dilapidation notice provisions:

- Amenity-based triggers: Both s215 and the Bill's maintenance notices (Clause 1) and dilapidation notices (Clause 4) are triggered by adverse effects on "amenity" of the surrounding area – a subjective standard requiring councils to exercise judgment about visual impact and neighbourhood quality.
- Notice-based enforcement: Both regimes operate through formal notices served on property owners, specifying required remedial works and compliance timeframes.
- Works in default: Both provide councils with powers to carry out works themselves if owners fail to comply, with cost recovery mechanisms through charges on the property.
- Broad scope: s215 applies to both land and buildings (defined inclusively in the Act), similar to the Bill's broad definitions encompassing buildings, land, premises, and vessels.
- Discretionary enforcement: Both grant councils discretionary powers rather than mandatory duties, requiring councils to prioritise cases and balance enforcement activity against available resources.

Section, LPAs may serve notices requiring property owners to remedy unsightly or neglected conditions, with powers to undertake works in default and recover costs if owners fail to comply.

In 2005, the Office of the Deputy Prime Minister (ODPM) – now the Ministry of Housing, Communities and Local Government (MHCLG) – published comprehensive 36-page Best Practice Guidance for Section 215 implementation⁶¹. That guidance was developed following a 2000 research report which is summarised in the Best Practice Guidance as having concluded that “practical examples in the imaginative and effective use of s215 need to be disseminated to LPAs to encourage greater use of the power”⁶². The guidance development process involved consultation with Building Control officers from multiple English local authorities who “shared their positive and practical experiences”.

The published guidance includes:

- Detailed case studies with photographic evidence and compliance timelines from six different enforcement scenarios (residential, commercial, listed buildings, demolition sites),
- Procedural flowcharts mapping the enforcement process from complaint to compliance,
- Template warning letters, information notices, and enforcement notices for various scenarios,
- Comprehensive appeal rights and procedures guidance, including grounds of appeal and Magistrates Court processes, and
- Legal guidance on Human Rights Act considerations, prosecution procedures, and cost recovery mechanisms.

However, they are key differences between the s215 provisions and those of the Bill. The Dilapidation Bill goes further than s215 in several respects: It creates a hierarchy of notice types (maintenance, dilapidation, dangerous structure, defective premises) calibrated to different severity levels; includes fixed penalty provisions (£500 under Clause 19); and provides emergency action powers for dangerous structures. s215 is a single-tier system focused solely on amenity impacts.

⁶¹ The Best Practice Guidance for the Town and Country Planning Act 1990, published by the Office of the Deputy Prime Minister in January 2005, is available [here](#).

⁶² The Best Practice Guidance for the Town and Country Planning Act 1990, page 5, published by the Office of the Deputy Prime Minister in January 2005, and available [here](#).

2.3.2 Commentary

Section 215 demonstrates that even established, relatively straightforward enforcement powers benefit from substantial government-produced operational guidance. The guidance runs to 36 pages, with extensive annexes because councils need practical direction on:

- Defining subjective concepts like “amenity”,
- Calibrating enforcement action to different property types and scenarios,
- Navigating legal procedures for appeals, prosecutions, and cost recovery, and
- Coordinating with other statutory powers and departments.

Indeed, the Best Practice Guidance under section 215 of the Town and Country Planning Act 1990 states:

By issuing Best Practice Guidance, ODPM hopes to encourage closer working and the sharing of experience between LPAs ⁶³.

Whereas the Bill does not indicate whether similar comprehensive guidance would be developed if the Dilapidation Bill would be enacted, nor what resources or timeline would be required if so.

As such, given this discussion of the potential need for the development of appropriate accompanying guidance for implementation of the Bill’s powers – and the costs associated with the development of such guidance, Members – in their plenary, committee and constituency capacities – may wish to consider the scrutiny points contained in **Box 3** below:

Potential scrutiny points – Box 3

19. What is the Department's timeline for developing and publishing statutory guidance under the Bill, if enacted as introduced?

⁶³ The Best Practice Guidance for the Town and Country Planning Act 1990, page 6, published by the Office of the Deputy Prime Minister in January 2005, and available [here](#).

20. Would that guidance be available before councils would be expected to exercise new powers?
21. If so, would councils be expected to implement the Bill if there was a delay to introducing such guidance?
22. Would such guidance be subject to formal consultation with councils, Building Control officials, legal experts, property owners and community stakeholders? If so, what would be the length of the consultation period?
23. Clause 20 of the Bill requires councils to have regard to guidance issued by the Department, and provides for Assembly scrutiny of any draft. However, the Bill does not specify that guidance must be in place before the powers become operational. Would DAERA commit to ensuring comprehensive statutory guidance is published before any provisions are commenced? If not, how would councils be expected to exercise their powers consistently in the absence of such guidance? Would the Minister consider amending the Bill to make commencement of the enforcement powers conditional on guidance being in place?
24. The terms “detriment to local amenity” (Clause 1) and “seriously detrimental to amenity” (Clause 4) are not defined on the face of the Bill. How does DAERA intend to address this in guidance? Would objective criteria and underlying principles be specified to support consistent decision-making across councils, or would councils be left to interpret these subjective concepts on a case-by-case basis – with the attendant risk of inconsistent application across Northern Ireland’s 11 LGDs?
25. What evidence standards would guidance specify or recommend for establishing that a property causes “detriment to local amenity”? How would councils document and evidence “amenity impact”?

26. Would the DAERA specify guidance to undertake special consultation for heritage sites under Clause 17? Would such guidance provide protocols for navigating the intersection between dilapidation enforcement and heritage conservation?
27. Would guidance address how councils should prioritise cases when resources would be constrained?
28. What risk assessment frameworks would be specified or recommended under any guidance?
29. Given the concerns about cost recovery, would guidance provide "best practices" for maximising cost recovery? What would these best practices be based on – current NI council experience, other jurisdictions, or theoretical models?
30. If councils would follow DAERA's guidance on cost recovery, but still would experience low recovery rates, what recourse would councils have? Would the Department take responsibility for inadequate guidance?
31. Who would be responsible for developing and delivering training courses for Building Control council officers – would it be DAERA, councils individually or a coordinated program across all councils?
32. What is the anticipated cost of developing and delivering training programs? Will DAERA provide funding for training, or are councils expected to absorb these costs from existing budgets?
33. How many Building Control officers across Northern Ireland will require training? What is the estimated total time requirement per officer?

34. Would training be mandatory or voluntary? If mandatory, how would DAERA ensure all relevant staff would be trained before the Bill would become operational?
35. Would DAERA establish formal inter-council forums for sharing best practices, or would that be left to councils to organise voluntarily?
36. How would DAERA seek to ensure consistent interpretation and application of the Bill's powers across all 11 councils? Would guidance be sufficient, or would ongoing coordination mechanisms be necessary?
37. If inconsistencies emerge in how different councils would interpret and apply powers, what mechanisms would exist for resolving these? Would DAERA intervene, or would that be a matter for councils to resolve?
38. In the production of high-quality guidance, has DAERA allocated or does it intend to allocate specific staff resources and timelines for such work?
39. What is DAERA's estimate of the costs that would be incurred to develop comprehensive guidance? Does that estimate include officials' time, consultation processes, legal review, design and publication, translation services, dissemination and other?
40. Would public-facing guidance clearly explain the limits of council powers and the discretionary nature of enforcement, to manage public expectations when councils would and would not act?
41. Would guidance specify what property owners should/could do if they genuinely could not afford to comply with penalty notices? Would there be any hardship provisions, deferral mechanisms

or financial assistance schemes if property owners' financial circumstances prevented them from paying? Or, would owners be required to comply regardless of their financial circumstances?

3 Potential financial implications: Cost recovery and increased expectations

While Section 2 examined the direct costs that could arise under the Bill for DAERA when implementing the Bill, the primary financial implications would fall on Northern Ireland's 11 councils which would exercise the new Bill powers. The Bill's EFM anticipates that councils would recover enforcement costs from property owners through the Bill's cost-recovery mechanisms, thereby avoiding net costs to the public purse. However, RaISe-PFSU engagement with Building Control council officials across Northern Ireland revealed their significant concerns about the adequacy of these cost-recovery provisions and, more pertinently, the potential for the Bill to generate substantial increases in public expectations for council intervention.

This section examines those concerns across two dimensions: first, the feasibility of cost recovery and the risk of perverse incentives; and then, the potential for increased enforcement demands arising from expanded public expectations.

3.1 Cost recovery mechanisms

The Bill would establish several cost-recovery mechanisms intended to ensure councils would not be financially disadvantaged when exercising enforcement powers. Indeed, as previously stated, in the Second Stage debate in the Assembly, the Minister stated that:

*The inclusion of robust and effective cost-recovery provisions will ensure that councils are not financially disadvantaged*⁶⁴.

⁶⁴ The Official Report of the Second Stage discussion of the Bill, which took place on 1 July 2025 in the Northern Ireland Assembly, can be accessed [here](#).

It appears that the Bill's specified broad definitions for buildings, premises, land and sites makes it challenging to estimate potential costs that could arise from the Bill, if enacted as introduced. For example, non-domestic buildings and structures are often larger, more complex, and more expensive to make safe or demolish. Building Control council officials highlighted to RaISe-PFSU that over the past 12 months, many actions had been undertaken by their units in relation to dilapidated properties; costing the council in the region of £80,000 or £90,000 per property, alongside remedial work costs incurred for larger properties approaching £2 million. As such, it seems there would be vastly different cost implications across the exercise of the Bill's powers: it would depend on the specific context of the building or site in question. Moreover, that also could lead to significant variation with regards to cost recovery. It also could be easier or harder to recover costs, depending on whether dealing with residential owners or commercial entities, or, indeed, whether absent landlords or property custodians would be paying.

The specific cost-recovery provisions provided in the Bill include:

- **Fixed penalties of £500** for breaches of maintenance notices and failure to provide information (Clause 19),
- **Fee charging** for dangerous structure notices and emergency action, with amounts to be specified in secondary legislation (Clauses 7 and 10),
- **Material sales** from removed items, with proceeds offset against costs (Clause 12(9)), and
- **Statutory charges** registered against land, enforceable as mortgages (Clause 13).

Building Control units identified significant issues with cost-recovery at present and explained to RaISe-PFSU the insufficiency of current cost-recovery mechanisms for having taken remedial action. Current fixed penalty fines, for example, set at £500 for breaches of issued maintenance notices, are regarded by Building Control units in councils as too low to enforce action on part of property owners: in fact, they suggest such fines under the Bill could incentivise property owners not to carry out maintenance or remedial works. They note that could lead to non-compliance because property owners could calculate repeated fines would be cheaper than undertaking expensive maintenance or remedial works under the

Bill. That could occur when penalties would be set somewhat arbitrarily and below the true cost of the issue that they would be designed to address.

Moreover, they suggest the fixed penalty mechanism provided in the Bill would not escalate with severity of neglect, the value of the property, repeated non-compliance, or the cost of remediation. By way of example, a £500 fine represents 0.05% of a £1 million item, but that could exceed the value of a small derelict rural structure. Building Control officials reported to the RaiSe-PFSU current remediation costs typically ranging from tens of thousands to millions of pounds, noting a £500 penalty could become economically trivial by comparison. Such a problem of perverse incentives would be a common phenomenon within economics and the literature of incentive-based regulation.^{65 66 67 68}

3.1.1 Comparative evidence: Tynwald Court debate in the Isle of Man regarding local councils and dilapidated buildings

Concerns about cost-recovery are not unique to the Northern Ireland context. During a recent Tynwald Court debate on the Isle of Man, on 19 November 2025, the issue of costs to local councils relating to dilapidated, dangerous and vacant buildings arose.⁶⁹ The debate revealed local authorities face significant

⁶⁵ McCarthy, M. S. and Fram, E. H. (2000). "An exploratory investigation of customer penalties: assessment of efficacy, consequences, and fairness perceptions", *Journal of Services Marketing*, 14(6): 479-501. The paper is available [here](#).

⁶⁶ Becker, G. S. (1968). "Crime and Punishment: An Economic Approach", *Journal of Political Economy*, 76(2): 169-217. The paper is available [here](#). Becker (1968) demonstrates that individuals respond rationally to the expected cost of sanctions – if the penalty (deemed the probability of detection multiplied by the magnitude of punishment) is lower than the benefit of non-compliance, rational actors will select not to comply. The critical finding of Becker (1968) is that for penalties to deter effectively, they must be calibrated to the harm caused and the probability of detection. As such, when sanctions are monetary fines, a low probability/high fine combination will achieve the same deterrence as a high probability/low fine combination, but at much lower cost to society, or, in the context of this Bill, the public purse.

⁶⁷ Polinsky, A. M. and Shavell, S. (2000). "The Economic Theory of Public Enforcement of Law", *Journal of Economic Literature*, 38(1): 34-76. The paper is available [here](#). Polinsky and Shavell (2000) analyse optimal design of fines and the relationship between detection probability and sanction magnitude, alongside the effect of wealth constraints. The paper suggests penalties should escalate with the severity of harm caused.

⁶⁸ Polinsky, A. M. and Shavell, S. (1992). "Enforcement Costs and the Optimal Magnitude and Probability of Fines", *The Journal of Law and Economics*, 35(1): 133-148. The paper is available [here](#).

⁶⁹ A full report of the Tynwald Court debate can be located [here](#).

enforcement costs when dealing with dilapidated properties. The Member for Ramsey stated:

The reason that most of them [local authorities] do not enforce is because it costs them money...⁷⁰

He further noted councils:

...are very nervous about putting what can be quite significant costs on to the rates⁷¹

There was a proposal from the Housing and Communities Board for a £100,000 fund to lend to local authorities to take action against dilapidated property owners, but Douglas City Council advised that this “*was not enough, these things are expensive*”⁷². What’s more, Douglas City Council described the use of “vital ratepayer funds” to challenge property owners via legal action and notes a specifically “bad experience” with an off-island owner who kept transferring ownership, making it “*incredibly expensive to pursue action*”⁷³.

Alongside noted administrative costs to carry out such actions, the debate made clear that enforcement against problem properties is financially burdensome for local authorities, which ultimately results in many avoiding taking action despite have the power to do so⁷⁴.

That particular situation was also raised by Building Control council officials in Northern Ireland, who stated to RalSe-CSU transferred ownership issues, which are a substantial problem in Northern Ireland. They stated there exist ‘repeat

⁷⁰ Line 3340 of the Tynwald Report, Wednesday 19 November 2025, available [here](#).

⁷¹ Line 3340 of the Tynwald Report, Wednesday 19 November 2025, available [here](#).

⁷² Line 3245 of the Tynwald Report, Wednesday 19 November 2025, available [here](#).

⁷³ Line 3250 of the Tynwald Report, Wednesday 19 November 2025, available [here](#).

⁷⁴ Isle of Man Building Control Act 1991 (amended 2016) contains provision similar to those in the Bill, empowering local authorities to address ruinous, dilapidated and dangerous buildings with emergency measures. If owners fail to comply with requests for remedial work, authorities can conduct work and recover costs. The Isle of Man Building Control Act 1991 allows for daily penalties in the situation of continued offences, with the 2016 amendments introducing fixed penalties. The principal act is available [here](#), with the 2016 amendment available [here](#). In the Isle of Man, powers to issue notices for land that is detrimental to amenities of the neighbourhood are also provided by the Local Government (Miscellaneous Provisions) Act 1984, available [here](#), which can be combined with those provided by the Building Control Act 1991.

offenders' who do not comply with issued notices, relying on the provision that they do not have the financial means to do so. The same owners are subsequently noted purchasing similar properties in dilapidated conditions, again failing to comply with issued notices.

Building Control officials also identified a significant problem not only in tracing owners, but when legal action is pursued, it is highly unlikely that full costs would be recovered.

3.1.2 Property owner behaviour and the limits of materials sales as cost recovery

It should be noted, alongside the potential for perverse incentives, the fundamental primary incentives facing property owners are likely to differ from the preferences of local authorities. Littlewood and Munro (2007)⁷⁵ developed an analytical model to determine the interactions between various forces that influence the decision by property owners whether to repair buildings and structures in a state of disrepair. The model is based on a series of logistical regressions using data from the Scottish House Condition Survey. They note, firstly, that the preferences of property-owners differ significantly from those of surveyor recommendations and, secondly, that disrepair is particularly linked to the characteristics of the building or structure itself. As such, the authors recommend that policy measures should therefore seek in the first instance to target properties that are of intrinsically poor condition.

Here, the Bill provides for councils to sell materials removed from sites during works in default to offset enforcement costs (Clause 12(9)). Building Control council officials characterised this provision for RaISe-PFSU as fundamentally unrealistic. Properties requiring enforcement intervention are, by definition, in 'poor condition' – their materials (weathered timber, deteriorated roofing, overgrown vegetation, accumulated waste) have negligible market value. Even potentially salvageable materials - such as slates or bricks - would typically cost more to carefully remove, store and market than any proceeds from sale would generate.

⁷⁵ Littlewood, A. and Munro, M. (2007). "Explaining disrepair: Examining owner occupiers' repair and maintenance behaviour", *Housing Studies*, 11(4): 503-525. The paper is available [here](#).

Those officials emphasised how dilapidated properties are liabilities, not sources of valuable salvage. The notion that councils could meaningfully offset enforcement costs – ranging from tens to hundreds of thousands of pounds – through materials sales was described as disconnected from operational reality. In practice, they suggested councils would incur disposal costs for materials removed from sites, rather than generating revenue. It appears the officials' views undermine the DAERA cost-recovery assumptions underpinning the introduced Bill, which in turn would place greater weight on statutory charges as the primary mechanism. Yet, as discussed above, that mechanism could face substantial obstacles in practice.

With regards implications for the public purse, the combination of potentially insufficient fixed penalties and problematic cost-recovery would create a significant financial risk for councils. They subsequently would face a choice between two alternative scenarios:

- Scenario A – non-enforcement of Bill powers
 - Councils avoid exercising powers due to cost concerns,
 - Dilapidation problems persist and worsen,
 - There arises increased public dissatisfaction with council performance, and
 - The Bill fails to achieve policy objectives.
- Scenario B – enforcement without recovery
 - Councils exercise power as intended,
 - Councils face large remediation costs per property or site,
 - Cost-recovery fails due to absent or insolvent owners,
 - Councils absorb costs from existing budgets (where possible), and
 - Ratepayers ultimately bear an increasing financial burden.

Neither scenario achieves the Bill's stated aim of cost-neutral enforcement. Building Control units expressed concern that without adequate central funding or reformed cost-recovery mechanisms, the Building Control council officials would be forced toward scenario A, despite policy intent to provide flexible powers that would allow councils to act to improve and enhance enforcement.

As such, given the above discussion of the issues and concerns surrounding existing cost-recovery mechanisms provided in the Bill, Members – in their plenary, committee and constituency capacities – may wish to consider the below scrutiny points in **Box 4**:

Potential scrutiny points – Box 4

42. Has DAERA conducted economic modelling to assess whether the proposed £500 fixed penalty would be sufficient to deter non-compliance, particularly for high-value commercial properties or absent landlords? If yes, please detail that modelling and related findings. If no, please detail why such modelling has not been done?
43. What evidence base did DAERA rely on to set the fixed penalty at £500 at Clause 19(3)?
44. Has DAERA considered penalties calibrated to property value or severity of neglect rather than a flat rate?
45. Given that Building Control units report remediation costs ranging from £80,000-£90,000 for standard cases to approaching £2 million for complex sites, how would DAERA justify a £500 penalty as an effective deterrent?
46. Will DAERA commit to reviewing the fixed penalty amount within a specified period (for example, 2-3 years) after implementation to assess its effectiveness?
47. Has DAERA considered implementing escalating penalties for repeat offenses, similar to environmental enforcement regimes?
48. Has there been any DAERA assessment has been made regarding the likelihood that property owners would calculate paying £500 fines as cheaper than undertaking repairs costing tens or hundreds of thousands of pounds?

49. How would DAERA monitor whether the fixed penalty had created perverse incentives for non-compliance rather than encouraging remediation, if the Bill would be enacted as introduced?
50. What is DAERA's assessment of likely cost recovery rates? Has that been modelled based on council experiences with similar enforcement regimes?
51. Given that Building Control council officials report current cost recovery rates are "extremely low" or "non-existent," what specific features of the Bill's cost recovery provisions does the Department believe would improve recovery rates?
52. In practice, how effective does DAERA believe Clause 13 would be in registering statutory charges against land, if properties of minimal market value or owners are asset-poor?
53. What provision has been made by DAERA for enforcement costs when dealing with absent, offshore, or repeatedly transferring ownership structures?
54. Would DAERA commit to collecting and publishing data on cost recovery rates by council and notice type to enable evidence-based review of the mechanisms' effectiveness?
55. If cost recovery would prove as problematic as Building Control units anticipate under this Bill, what would be DAERA's fallback position? Would additional funding be provided to councils, or would councils be expected to absorb enforcement costs from their existing budgets?
56. The Bill's EFM states "no discrete funding provisions have been included in the Bill". Does this remain DAERA's position given the Building Control council officials' views, as highlighted in this Review of Costs?

57. Has DAERA conducted a worst-case financial scenario analysis assuming low-cost recovery rates under the Bill? What would be the implications of such a scenario for council budgets and the public purse?

3.2 Increased expectations

From discussions with Building Control units from councils across Northern Ireland, the most notable or significant financial implication of the Bill results from the fundamental shift it creates in public expectations regarding council responsibilities for addressing dilapidation. This represents an indirect but potentially substantial cost pressure that may not be immediately apparent, but which could accumulate significantly over time.

The Housing Ombudsman's Repairing Trust Spotlight Report⁷⁶, published in May 2025, notes that the largest cause of complaints are those relating to repairs and property condition. Indeed, the report – although covering only England – highlights a 474% increase in complaints, despite £9 billion expenditure on repairs in the period 2019-20 to 2024-25.

With increasing attention on the conditions of buildings and properties, and their impact on the amenity of surrounding areas and neighbourhoods, councils may face a rise in the number of requests to address issues of dilapidation and property disrepair. The draft Bill currently offers wide-ranging powers to councils that allow them to intervene in situations of varying degrees of disrepair and decay. As such, due to the Bill providing powers to deal with properties deemed to be in a minor state of disrepair only, alongside those that require immediate action, Building Control units voiced substantial concern that there will be a significant increase in expectations to address issues of dilapidation at the lower end of the spectrum.

Building Control units state there is insufficient funding to carry out such requests. This issue may further be compounded if members of the public seek action via

⁷⁶ The Repairing Trust Spotlight Report published by the Housing Ombudsman Service is available [here](#).

elected councillors who may apply further pressure on councils to act in such instances. Currently, Building Control units typically only engage with issues of building dilapidation or properties in a state of disrepair in the most extreme scenarios, where there exists an immediate health or safety concern. As such, the current practice is highly selective and resource-constrained, with Building Control typically addressing issues of dilapidation by enacting Article 66 of the Pollution Control and Local Government (Northern Ireland) Order 1978.⁷⁷ This mechanism deals with ruinous or dilapidated buildings and structures that are specially “seriously detrimental to the amenities of the neighbourhood”. Budgets for undertaking this work are already limited and Building Control units state that the proportion of projects for which costs have been recovered are extremely low. This reactive, safety-focused approach has established de facto public expectations that councils intervene primarily in extreme cases. Building Control officers emphasised that even with these limited interventions, budgets are already stretched, and cost recovery is minimal.

The proposed Bill fundamentally alters this landscape by providing councils with a comprehensive toolkit spanning a hierarchy of disrepair severity. The inclusion of lower-tier powers – particularly maintenance notices for minor neglect – represents a significant departure from current practice, in that the Bill, if enacted as introduced, would empower councils to address aesthetic and amenity concerns, alongside safety hazards, enabling them to address “minor neglect” causing “detriment to local amenity”. They would be empowered to intervene across the full spectrum – “minor neglect” to “serious disrepair”.

And as community groups and residents would become aware of the councils’ new powers, their increased expectation for councils to exercise those new powers in turn would impact Building Control units in councils, which now would be expected to intervene beyond the units’ current reactive, safety-focused approach.

Building Control units express concerns in this regard, especially in the current economic context and the current lack of clarity around budgets. They question whether the Bill, if enacted, would create an unfunded mandate whereby councils

⁷⁷ The Pollution Control and Local Government (Northern Ireland) Order 1978 is available [here](#).

would possess legal authority and public expectations of councils acting would increase, but a lack of resources and or ineffective cost-recovery mechanisms under the Bill could be unsustainable.

Members – in their plenary, committee and constituency capacities – may wish to consider the scrutiny points in **Box 5** below:

Potential scrutiny points – Box 5

58. What assessment has DAERA undertaken to gauge the potential volume of enforcement requests from the public and others, once the new powers become effective? Has the Department modelled different scenarios (for example, 5%, 10%, 20% of vacant properties generating complaints)?
59. How should councils prioritise cases when public expectations exceed available resources? Does DAERA intend that statutory guidance would specify prioritisation criteria, or would the Department leave that to council discretion?
60. Has the Department conducted a resource impact assessment examining required staffing levels across councils to meet anticipated demand?
61. As highlighted earlier in this Review of Costs, if 5-10% of vacant properties in Northern Ireland would generate enforcement requests under the Bill, if enacted as introduced, that could represent 1,725-3,450 potential cases across Northern Ireland. Has DAERA assessed councils' capacity to respond to such potential volume? If so, what were the findings of that assessment? How was that assessment undertaken?
62. If elected Members or Councillors received increased constituents' requests for action on "minor neglect" cases

under the Bill, how would DAERA foresee councils managing such pressure?

63. Once councils enforce against some cases of minor neglect, how should they respond to demands for consistent application to similar properties? Does the Bill create equity concerns if resource constraints force selective enforcement?

64. Would public-facing guidance issued by DAERA explicitly specify councils' discretion not to enforce in every case?

65. If evidence would emerge within 2-3 years of implementing the Bill if enacted as introduced, then councils would be either: (a) not enforcing due to cost concerns; or, (b) enforcing, but not recovering penalty notice revenue due to, for example, property owners' economic hardships or other, would DAERA commit to reviewing the Bill's provisions and considering any relevant amendments or additional funding allocations?

66. How would DAERA distinguish between councils choosing not to enforce due to legitimate resource constraints and councils failing to exercise powers appropriately?

4 Key takeaways

This Review of Costs considered potential financial implications arising from the Dilapidation Bill, if enacted as introduced and thereafter in receipt of Royal Assent. This includes both direct costs associated with enactment of the Bill and indirect costs that may be incurred due to changing expectations caused by enactment of the Bill. Key elements are summarised below.

- **Mismatch between penalty and compliance cost:** The Bill's £500 fixed penalty creates rational non-compliance when repair costs typically range from £20,000 to £2 million. It seems economic theory demonstrates that the proposed penalty structure would fail to incentivise compliance, particularly for high-value properties, absent/offshore owners, and repeat offenders.

- **Cost recovery assumptions are unrealistic:** The operational experience of Building Control council officials' indicate councils currently achieve extremely low or non-existent cost recovery in enforcement work. The introduced Bill's mechanisms – statutory charges on land, material sales, and fixed penalties – face substantial obstacles, including ownership complexity, insolvency and strategic non-compliance. Hence, it seems council enforcement experience challenges the EFM's assertion of no net costs to councils, raising questions arise about DAERA's cost-recovery assumptions underpinning Bill: are those assumptions grounded in council enforcement experience?
- **Expectation shift will drive demand:** The Bill would fundamentally expand the scope of Building Control activity, from extreme safety cases to a hierarchy including minor neglect. Public awareness of those powers could generate substantial increases in public expectations of council enforcement activity, with residents and community groups seeking action via elected councillors, who may in turn apply pressure on councils to act even where enforcement is not economically viable. Building Control council officials state their units lack capacity to absorb the increased demand that would be created under the Bill, if enacted as introduced, in order to maintain other statutory functions. That consequence of increased expectations, even though the Bill would provide discretionary powers, is of major concern to Building Control council officials.
- **Guidance requirements are undefined:** In England, comparable enforcement powers to those under the introduced Bill required 36 pages of comprehensive operational guidance developed through multi-council consultation. To date, DAERA appears not to have indicated what guidance would be produced to inform implementation of the Dilapidation Bill, also what resources would be required, or what indicative timeline currently is envisioned. Without clarity in those areas, councils face uncertainty about how they would be expected to implement the introduced Bill, if enacted, and any absence of those could risk inconsistent implementation across councils.
- **Generation of a structural fiscal trap:** It appears councils could face a fundamental dilemma under the Bill if enacted as introduced. Exercising

powers could generate substantial costs with what appears would be poor recovery prospects, especially in the current and foreseeable economic contexts, but failing to exercise the new powers could generate public dissatisfaction and political pressure. That could create a trajectory toward either selective enforcement (with equity and legal challenges) or crisis-driven emergency allocations, potentially undermining the Bill's underlying policy objectives, as set by DAERA.