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Review of Costs: Housing (Amendment) Bill

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Seeking to support Northern Ireland Assembly scrutiny, this Review of Costs addresses key potential “public purse” implications arising from the Housing (Amendment) Bill, if enacted and implemented as introduced. The Bill seeks to amend the Housing (Northern Ireland) Order 1988; extending the statutory period in which a person can be considered ‘threatened with homelessness’ from the current 28 days to 60 days and extending the statutory period in which the Northern Ireland Housing Executive’s statutory prevention and relief duties would apply.

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, or as a substitute for it.

Table of Contents

Review of Costs:	1
Housing (Amendment) Bill	1
<i>Key Points</i>	3
<i>Introduction</i>	5
1 <i>Public Finance Context in Northern Ireland</i>	7
1.1 “Public Purse” defined	7
1.2 Central and Devolved Public Finance Context	7
1.3 Draft Budget 2026-2029/30 – DfC Allocations	13
2 <i>Overview of Homelessness Policy</i>	15
2.1 Homelessness in Northern Ireland	15
2.2 NIHE Role	17
2.3 NIHE Homelessness Strategy	18
2.4 Housing (Amendment) Bill Provisions	19
3 <i>Comparative Evidence from Other Jurisdictions</i>	20
3.1 England	20
3.2 Scotland	22
3.3 Wales	25
3.4 Republic of Ireland	26
4 <i>Key Potential Public Purse Implications</i>	27
4.1 Bill’s EFM and Consultation	28
4.2 Initial Correspondence with NIHE	30
4.3 Bill’s Second Stage Debate	30
4.4 Further Correspondence with NIHE Following Second Stage	32
4.5 Quantifiable Costs	32
4.6 Unquantifiable Costs	38
5 <i>Key Takeaways</i>	39

Key Points

- The Housing (Amendment) Bill seeks to amend the Housing (Northern Ireland) Order 1988; extending the statutory period in which a person can be considered ‘threatened with homelessness’ from the current 28 days to 60 days and extending the statutory period in which the Northern Ireland Housing Executive’s statutory prevention and relief duties would apply.
- On 30 June 2026, the Bill was introduced into the Northern Ireland Assembly within a challenging public finance environment, with significant budgetary pressures facing Northern Ireland Executive departments that presents ongoing concerns about the sustainability of housing expenditure.
- Over the past decade, homelessness levels have been increasing significantly in Northern Ireland. Between 2016 and 2026, the number of individuals with statutory homelessness status more than doubled, while social housing demand continues to outpace supply.
- The aim of this Bill – that is, preventing homelessness at an earlier stage – seeks to support implementation of the Northern Ireland Housing Executive’s (NIHE) current Homelessness Strategy, which prioritises both prevention and earlier intervention.
- Helpful to inform Assembly scrutiny of this Bill is a look at Great Britain’s experience in this area. Evidence from England, Scotland and Wales indicates extended statutory homelessness prevention duties can increase caseloads and generate short-term implementation costs, particularly relating to staffing, administration and wider homelessness prevention activity. The context in the Republic of Ireland differs substantially from Northern Ireland and is explored further within the Paper.
- The Bill’s most significant identifiable public purse implications, if enacted and implemented as introduced, could be possible increased temporary accommodation demand and increased pressures on NIHE staff resource. The NIHE is aware of this and has expressed concerns that the Bill’s proposals could increase pressures on an already stretched

service, and in turn could increase reliance on higher-cost, non-standard accommodation.

- Spending on temporary accommodation has risen substantially in recent years, from approximately £7.5 million in 2019/20, to £34.4 million in 2023/24. At the same time, spending on non-standard accommodation increased from approximately £670,000 in 2017/18 to more than £12 million in 2023/24.
- The Bill, if enacted and implemented as introduced, would be likely to generate additional NIHE administrative and staffing pressures through increased caseloads resulting from earlier prevention and relief activities. The scale of those pressures is uncertain given that it is unclear based on the information available to RalSe-PFSU what scale of increased demand the Bill would be likely to generate.
- The NIHE produced provisional costings quoted by the Minister for Communities in the Bill's Second Stage debate on 21st September 2026, which estimated that, considering existing pressures, the Bill would cost around £2.5 million per year to fully implement. At the time of writing, the Public Finance Scrutiny Unit in the Assembly's Research and Information Service (RalSe-PFSU) has not had sight of the assumptions and modelling underpinning those estimates. Though on 23rd September 2026, the NIHE advised the estimates were **only indicative**.
- At present, RalSe-PFSU is not in a position to provide a robust assessment of the introduced Bill's total cost to the 'public purse'. That is due to the absence of said data and existing uncertainties regarding key variables, including future presentation rates, accommodation demand and behavioural responses due to the lack of robust data or modelling presented in the Bill's accompanying Explanatory and Financial Memorandum (EFM) or elsewhere.
- While the Bill, if enacted and implemented as introduced, could generate additional short-term expenditure, comparable evidence from Great Britain suggests successful homelessness prevention can reduce longer-term pressures on temporary accommodation and wider public services, generating future savings.

Introduction

This Review of Costs aims to support Northern Ireland Assembly Members in their plenary, committee and constituency capacities, when scrutinising key ‘public purse’ implications that could arise from the Housing (Amendment) Bill¹ (the Bill) – as introduced into the Northern Ireland Assembly by a Member of the Legislative Assembly (MLA) – the Bill Sponsor on 30 June 2026.

The introduced Bill comprises one substantive clause aiming to amend the Housing (Northern Ireland) Order 1988². First, it seeks to extend the statutory period in which a person can be considered ‘threatened with homelessness’ from the current 28 days to 60 days; and second, to extend the statutory period in which the Northern Ireland Housing Executive’s statutory prevention and relief duties would apply³.

This Review of Costs focuses on direct and indirect public expenditure impacts; relying on sources available to the Public Finance Scrutiny Unit (PFSU) within the Assembly’s Research and Information Service (RaISe) at the time of writing. Those include: the introduced Bill⁴; its accompanying Explanatory and Financial Memorandum (EFM)⁵; the Assembly Second Stage debate about the Bill; costing exercises conducted by the UK Government, Scottish Parliament, and Welsh Government for similar legislative changes across comparable jurisdictions⁶; the context of homelessness legislation in the Republic of Ireland;

¹ *Housing (Amendment) Bill* (43/22-27), as introduced (30 June 2026). Available [here](#).

² As above.

³ *Consultation Summary – Homelessness Prevention Bill* (2025), available [here](#).

⁴ *Housing (Amendment) Bill* (43/22-27), as introduced (30 June 2026). Available [here](#).

⁵ *Housing (Amendment) Bill – Explanatory and Financial Memorandum*. Available [here](#).

⁶ *Homelessness Reduction Act: new burdens funding*, GOV.UK guidance, available [here](#); *Homelessness and Social Housing Allocation (Wales) Bill – Explanatory Memorandum incorporating the Regulatory Impact Assessment and Explanatory Notes*, available [here](#); and *Housing (Scotland) Bill 2025 – Financial Memorandum*, available [here](#).

correspondence with the NIHE; and RalSe Papers NIAR 217-2024⁷, NIAR 157-2025⁸ and NIAR 156-2026⁹.

The Paper begins with background information to contextualise the Bill and its potential future implementation if enacted as introduced. It defines terminology and provides brief overviews of the Northern Ireland's challenging public finance context and the homelessness policy context, followed by an overview of the introduced Bill's underlying objectives; before looking at Great Britain's experience in this area to provide a comparative basis for Assembly scrutiny of this Bill. Thereafter, drawing on those sources, the Review of Costs explores the Bill's key potential public purse implications; followed with some key takeaways when scrutinising this Bill.

The Paper is presented using the following section headings:

1. [Public Finance Context in Northern Ireland](#)
2. [Overview of Homelessness Policy in Northern Ireland](#)
3. [Comparative Evidence from Other Jurisdictions](#)
4. [Key Potential Public Purse Implications](#)
5. [Key Takeaways](#)

Any discussion in the Paper about the prevailing law, including existing legislation, is not intended to provide legal advice or opinion. Instead, it seeks to orientate the Paper's discussion. Please note that identified key potential public purse implications are not intended to provide an exhaustive list, given the uncertainties which exist regarding future economic conditions and human behaviour.

For wider social or policy considerations relating to the Bill, refer to RalSe Briefing Paper NIAR-270-2026, dated 25th September 2026.

⁷ *Homelessness: a comparison of legislative framework in Northern Ireland, England, Scotland and Wales*, RalSe, available [here](#).

⁸ Prepared for Communities Committee – not published.

⁹ Prepared for Bill Sponsor – not published.

1 Public Finance Context in Northern Ireland

To provide wider framing for subsequent discussion about the Bill's key potential public purse implications, key definitions and the challenging Northern Ireland public finance context are set out below.

1.1 "Public Purse" defined

The "public purse" refers to taxpayers' money raised through taxation and other sources of government revenue. Government departments - including their Ministers and individual officials - are custodians of the public purse – meaning they are required to use public funds "efficiently, effectively and economically." Moreover, departmental Accounting Officers are personally responsible for ensuring value for money in accordance with public finance management principles.

In Northern Ireland, the public purse comprises the Northern Ireland block grant allocated by His Majesty's (HM) Treasury, locally generated revenues and any other public funding streams.

Any public purse costs that could arise from the Housing (Amendment) Bill would be met by departmental spending – that is, either within the existing Department for Communities (DfC) budget, or through reprioritisation within the Executive's overall spending envelope.

1.2 Central and Devolved Public Finance Context

When examining key public purse considerations that could arise from the Bill as introduced, it is important to have some understanding of the ongoing challenging period for public finances at both the central and devolved levels across the United Kingdom. Of note for purposes of this Review of Costs, key public finance developments across the period February 2024 up to the time of writing this Paper are outlined below in Figure 1.

Figure 1: Challenging Budgetary Context – Timeline (Feb 2024 – Present)**Implementation of Political Agreements (February 2024 - Present)**

Since the restoration of the Executive in February 2024, Departments have been undertaking work to facilitate the Executive's implementation of political and financial agreements – such as the [Interim Fiscal Framework](#) (May 2024), the [Budget Sustainability Plan](#) (October 2024) and the accompanying [Budget Improvement Plan Roadmap](#) (December 2024), as well as the establishment of [Interim Transformation Board](#) (March 2025). These measures have been broadly targeted to improve the position of Northern Ireland's public finances

Budget Information Gathering Exercise (August-September 2024)

The Department of Finance (DoF) undertook a 2025-28 Budget Information Gathering Exercise, requesting returns from all Northern Ireland Departments, marking the start of the planning stage in the 2025/26 Northern Ireland Executive Budget cycle. The DoF found that “Departments identified a reported £767 million of unfunded pressures”, as [reported](#) to the Assembly on 23 September 2024.

UK Autumn Budget 2024 (October 2024)

The [Chancellor's Autumn Budget 2024](#) set out some of the multi-year competing pressures facing the United Kingdom Government, potentially adversely impacting the Government's spending power in certain areas, along with other decisions relating to social security - see RalSe Briefing Paper 47/24 entitled “[Chancellor's Autumn Budget 2024: initial considerations for Northern Ireland](#)”.

Departmental Bids Exceed Budget Allocation (December 2024)

Northern Ireland Departmental bids for 2025/26 [resource and capital](#) expenditure exceeded the [Northern Ireland Budget](#) allocated by the United Kingdom Government to the Executive.

Later that month, the [2025/26 Draft Executive Budget](#) and accompanying [Written Statement](#) by the Minister for Finance highlighted ongoing “pay and inflationary pressures” and “growing demands” on public services.

UK Spring Statement 2025 (March 2025)

The [Chancellor's 2025 Spring Statement](#) updated the House of Commons on the United Kingdom economy and public finances. Her Statement was accompanied by an Economic and Fiscal Forecast from the [Office for Budget Responsibility](#) (OBR). It also announced a number of policy decisions, which included reforms to the welfare system, increased defence spending and a £3.25 billion (b) ["Transformation Fund"](#) to reform public services. (Important to note this central government development, as the Northern Ireland Executive Budget is a sub-cycle within the United Kingdom Government's Budget cycle.) DoF officials thereafter explained during the Assembly Finance Committee [meeting](#) that:

.... on the allocations out of that fund, it will depend on which Whitehall departments get allocations from it so we don't get it on the £3.25 billion we'll get it on the allocations

Executive Agrees 2025/26 Budget (3 April 2025)

The Executive agreed the [2025/26 Executive Budget](#), which the Finance Minister [described](#) as "sets out a direction of travel" which "clearly prioritises its Programme for Government priorities".

US Trade Tariffs (4 April 2025)

The American President announced substantial international trade tariffs, resulting in: plummeting stock markets across the globe; a collapsing American bond market; the subsequent 9 April 90-day pause on some new US tariffs; other countries' similar pauses; further consideration of retaliatory tariffs on the US; and an international trade war arising between the US and China.

US-UK Trade Deal (8 May 2025)

A non-binding trade deal was agreed by between the US and UK Governments. The general terms of the new trade deal were subsequently published in the [UK-US Economic Prosperity Deal](#) (EPD); the deal non-binding, meaning on-going further negotiations to work through the detail of the deal.

Executive Spending Plans Published (24 June 2025)

The DoF published its [2025-26 Budget Factsheet](#), setting out the Executive's spending plans for the one-year period from 1 April 2025 to 31 March 2026.

Finance Minister Written Statement (3 October 2025)

The Executive's Finance Minister provided a Written Ministerial Statement detailing [Treasury Funding Available 2026-2029/30](#).

UK Autumn Budget 2025 (26 November 2025)

The [Chancellor's Autumn Budget 2025](#) detailed the United Kingdom Government's resource spending plans up to 2028/29 and capital plans up to 2029/30.

NI Draft Multi-Year Budget (6 January 2026)

The Finance Minister published the [Draft Budget 2026-2029/30](#) (not Executive agreed) and announced an eight-week public consultation on the proposals.

Treasury Agrees £400m Reserve Claim (11 February 2026)

HM Treasury [agreed](#) a reserve claim for the Northern Ireland Executive, to provide £400 million for 2025/25, which is to be repaid over three years. The Finance Minister confirmed in a [written statement](#) that same day that the £400 million would be allocated as follows, as agreed by Executive:

- Department of Education - £214.6 million
- Department of Health - £185.4 million

Treasury Agrees £400m Reserve Claim (11 February 2026)

The [Chancellor delivered her Spring Forecast 2026](#)

Later that day, in an [Oral Statement](#) to the Assembly, the Finance Minister confirmed additional £390 million Barnett consequentials over the next three-year period, comprising: Resource DEL - £380 million; and, Capital DEL - £9 million

UK Spring Forecast 2026 (3 March 2026)

The Chancellor delivered her [2026 Spring Forecast](#). Later that day, in an Oral Statement to the Assembly, the Finance Minister confirmed additional £390 million Barnett consequential over the next three-year period, consisting of £380 million RDEL and £9 million CDEL.

Update on Multi-Year Budget Discussions (16 April 2026)

Speaking publicly following a meeting of Executive Ministers, the deputy First Minister stated that the Executive wanted a multi-year Budget agreed "as quickly as we can". She added

...but the reality is that there is a very, very significant shortfall...the moment that Budget would be agreed, unless we secure additional resource from the Treasury, would simply lead to significant cuts and massive impacts in terms of our public services and on the people that we are here to serve.

The Finance Minister echoed these sentiments, stating that "to achieve the ambition of the Budget is going to take an injection of investment from the British Government."

Parties Meet SoSNI on Budget Progress (2 July 2026)

Speaking after the meeting, Hilary Benn MP said they had 'agreed a programme of work' that will 'look, first of all, at the pressures that the Executive's finances are facing'.

He said the work would also look at the Executive's plan for "fiscal sustainability, efficiencies and public service transformation".

Budget Act Deadline Passes (31 July 2026)

As the Executive were unable to pass a Budget by this deadline, an automatic departmental expenditure limit of 95% of last year's funding was triggered under public finance laws.

Executive Writes to PM on Financial Pressures (13 August 2026)

The Executive collectively [wrote](#) to PM Andy Burnham, calling for a 'fair funding envelope'. The letter said the current funding from Westminster 'does not provide a sufficient basis to fund public services' in NI.

SoSNI Statement on Budget Impasse (24 August 2026)

SoSNI Chris Bryant MP [said](#) the Executive will have to engage in 'self-help' and look at revenue raising to resolve Northern Ireland's budget issues. He further added "I understand the financial pressures that there are in Northern Ireland, and I'm very happy to take them very seriously."

PM confirms SoSNI talks on the Budget (2 September 2026)

In response to a question at PMQs, the PM stated:

Our first responsibility is to get Stormont government up and running and functioning properly with a budget. I have empowered the Northern Ireland Secretary to go into talks to resolve that issue, and we can continue the conversation on the broader issues about reform once we have got that in place.

SoSNI Initial Offer (2 September 2026)

Following discussions with the Executive parties the SoSNI offered a financial package of £350million per year over the next three years. In response the Executive parties stated that the package did not meet the Executives funding requirements and negotiations would continue.

SoSNI Updated Funding Offer (24 September 2026)

Following discussion with Executive parties, the SoSNI [announced](#) a further funding package. The package addresses issues raised in discussions, and includes:

- £1.25bn extra funding for the Executive over three years
- £150m for transformation of public services
- £100m for social housing
- £75m to address fraud and error in the benefit system

1.3 Draft Budget 2026-2029/30 – DfC Allocations

On 6 January 2026, the Finance Minister published a Written Ministerial Statement to the Assembly on the Draft Budget 2026-29/30. The Statement outlined proposed funding allocations for Resource Departmental Expenditure Limits (RDEL) and Capital Departmental Expenditure Limits (CDEL) during the specified period, including the Department for Communities (DfC), which would be the Department responsible for implementing this Bill if enacted, as reproduced below in **Table 1**.

Table 1: Proposed DfC Budget Outcome 2026-30, £ million¹⁰

Funding Category	2026-27	2027-28	2028-29	2029-30
Resource DEL	922.0	944.3	960.3	-
Capital DEL	294.9	319.2	321.7	404.1
Total DEL	1,216.9	1,263.5	1,282.0	404.1

Source: [Draft Budget 2026-29/30](#)

At the time of writing, the Draft Budget 2026-2029/30 remains unagreed by the Executive, as noted by the Communities Minister when he gave oral evidence to the Assembly Communities Committee on 18 June 2026. The Minister stated:

...we need to get a Budget. We absolutely want one in place, and work is taking place between the Executive and the [UK] Government on that. The Budget that we have is not satisfactory. We can do more to save money in many areas, but those savings will be over the longer term. Bringing in the efficiencies and doing what needs to be done cannot be achieved in one year...there needs to be some realism. We want to get on to a more stable financial footing, but you cannot fix your house while it is on fire...we are

¹⁰ Draft Budget 2026-29/30, Department of Finance, available [here](#).

constrained as a Department, because our spend is in areas that cannot easily be rolled back...I am not prepared to agree to a Budget that would cause harm¹¹.

Further, the NIHE published a response¹² to the Finance Minister's consultation on the Draft Budget 2026-29/30. Within this document, they state:

*The DfC funding profile within the draft budget document represents an **extremely challenging**...outlook for the housing sector and will likely require significant contraction across a number of our programmes. Effectively, it would reduce the organisation's capacity to invest...and will result in the reduction of housing services and housing supply in a number of areas of priority¹³.*

This Review of Costs does not comment on the sufficiency or otherwise of the funding provided to individual Executive departments. Rather, the above context-setting is intended to frame the extent of financial pressures which currently are facing the Executive as a whole. In that regard, the NIHE's assessment that the Draft Budget will require a contraction of key services is particularly significant, and a closer examination of the financial implications of the Bill is therefore particularly relevant¹⁴.

Potential Scrutiny Point:

1. Given the existing budgetary challenges and competing pressures in Northern Ireland, how would the DfC ensure that appropriate resourcing is provided to the NIHE to fully implement the Bill, if enacted as introduced?

¹¹ Official Report (Hansard), *Charities (Amendment) Bill: Department for Communities Oral Evidence*, 26 March 2026, available [here](#).

¹² *NIHE Response to DoF proposed Draft Budget 2026-29/30*, available [here](#).

¹³ As above.

¹⁴ As above.

2 Overview of Homelessness Policy

To contextualise the introduced Bill, this section provides an overview of homelessness policy in Northern Ireland, including explanation of the issue that the current policy aims to address, the role of the NIHE, the Bill's amending clause and its accompanying EFM.

2.1 Homelessness in Northern Ireland

Homelessness is a growing issue in Northern Ireland, which has both wide-ranging financial and social impacts. Providing “More Social, Affordable and Sustainable Housing” is cited as one of the nine strategic priorities in the Executive's current Programme for Government¹⁵. As an introductory exploration of the scale of the issue in Northern Ireland that the Bill seeks to mitigate, **Figure 2** below outlines recent NIHE homelessness data.

Figure 2: Trends in Social Housing and Homelessness, Northern Ireland, 2016-26¹⁶



Source: AQW 14882/22-27, NIHE and DfC Housing Bulletin

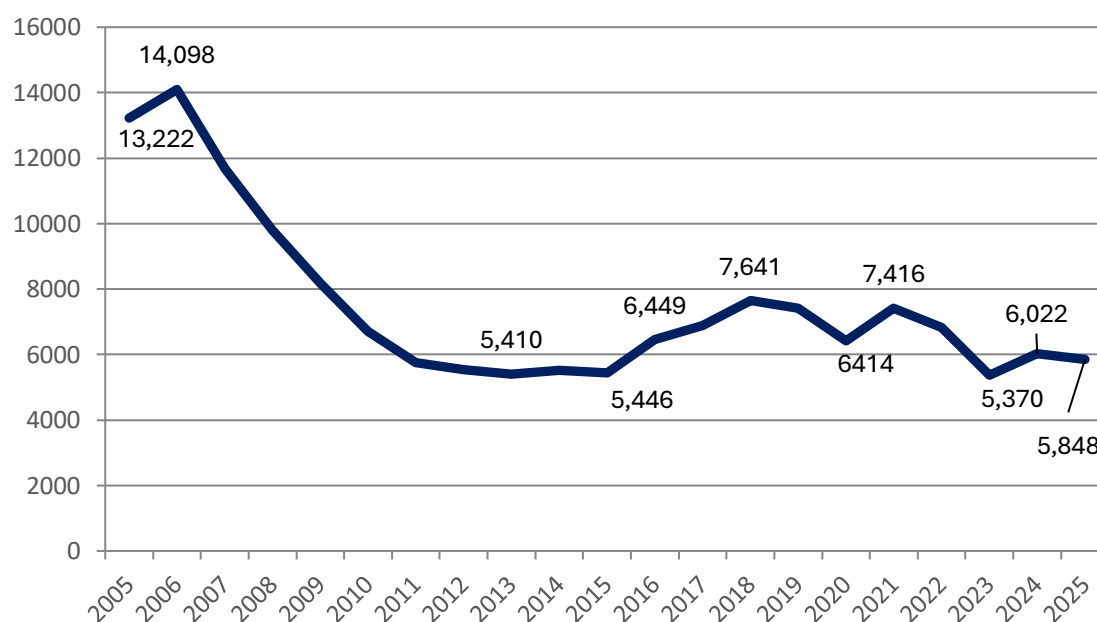
¹⁵ *Our Plan: Doing What Matters Most, Programme for Government 2024-27*, Northern Ireland Executive, available [here](#).

¹⁶ Based on data from AQW 14882/22-27, NIHE, and DfC.

Figure 2 shows growth in households on the social housing waiting list, growth in individuals experiencing housing stress, and significantly, growth in individuals with statutory homelessness status (also referred to as ‘Full Duty Applicants’, or FDAs). Over the last decade, the number of people with statutory homelessness status grew by around 111%, including 3.9% in the year from March 2025 to March 2026 alone.

At the same time, housing supply has not been growing consistently over recent years, as **Figure 3** below shows.

Figure 3: Annual New Dwelling Completions, Northern Ireland (2005-25)¹⁷



Source: Land and Property Services, NI New Dwelling Statistics

A number of factors – including a growing population, high demand for housing, inadequate supply, increasing rents and house price inflation – help to explain why the number of statutorily homeless people in Northern Ireland continues to rise.¹⁸

With the goal of easing some of the pressures on social housing supply, the Communities Minister announced an initiative in March 2025 to allow the

¹⁷ *Northern Ireland New Dwelling Statistics*, Land and Property Services (2025), available [here](#).

¹⁸ *Housing (Amendment) Bill – Explanatory and Financial Memorandum*. Available [here](#).

Housing Executive to purchase up to 600 homes over the next three years to use as Temporary Accommodation¹⁹. In response to the policy announcement, the NIHE stated:

...this will allow us to expand the use of cost-effective, own front door temporary accommodation. It will reduce costs and allow more households to access higher quality accommodation better suited to their needs.

However, at the time of writing, no houses have so far been acquired under this specific scheme, with the Minister for Communities advising the Assembly on 21 September 2026 that acquisitions were set to begin ‘within the next month’.²⁰

2.2 NIHE Role

In Northern Ireland, the statutory definition of homelessness is outlined in Article 3 of the Housing (Northern Ireland) Order 1988²¹. The Order sets out four tests which must be met before an applicant is given ‘full duty’ status – the statutory threshold for homelessness. The four tests examine whether an individual is:

1. Eligible for assistance
2. Homeless or threatened with homelessness
3. In priority need
4. Unintentionally homeless.

The Bill as introduced seeks to address those threatened with homelessness specifically. An applicant who passes all four tests is considered a Full Duty Applicant and receives 70 points under the selection framework. Article 3 of the 1988 Order sets out that the NIHE must ensure people have access to help and advice about homelessness and the prevention of homelessness. Full Duty Applicants (FDAs) are entitled to suitable accommodation, storage of their furniture, and/or help with travel to temporary accommodation, if needed²².

¹⁹ Minister announces plan for better value for money and more appropriate temporary accommodation, Department for Communities (2025), available [here](#).

²⁰ Housing (Amendment) Bill – Official Report of the Second Stage, available [here](#).

²¹ Housing (Northern Ireland) Order 1988, available [here](#).

²² This is not a statutory duty but may be provided under NIHE policy.

The NIHE therefore provide suitable accommodation to FDAs under these arrangements. This often means providing ongoing temporary accommodation until the applicant is placed in suitable social housing. The NIHE's responsibilities to assist FDAs is completed if the applicant: is placed in social housing; refuses two reasonable offers of accommodation; finds their own permanent home; or, asks to be removed from the waiting list.

It is worth noting that these NIHE responsibilities generate substantial financial costs to the public purse. In 2024/25, £67.3 million was invested in targeted homelessness support, including temporary accommodation, furniture storage, transport, and funding for the voluntary sector.²³ Clause 1 of the introduced Bill could substantially increase the funding required for the NIHE to deliver on its statutory responsibilities - as discussed further in [Section 4](#) of this Paper.

2.3 NIHE Homelessness Strategy

The NIHE is identified in the Housing (Northern Ireland) Order 1988, as the organisation tasked with responding to homelessness in Northern Ireland. Amongst the wide-ranging duties placed on NIHE in this regard, it is obliged to produce a Homelessness Strategy every five years. The most recent version²⁴, mirroring the Assembly mandate of 2022-27, cites prioritising homelessness prevention as one of its three key objectives. The Strategy document states:

*Prioritising prevention is crucial to the NIHE's plans to end homelessness. Our current response to homelessness is still focussed largely on responding to people who find themselves in crisis situations. Our ambition is to prioritise homelessness prevention through the provision of the right support at the right time with an aim to prevent homelessness from happening in the first place.*²⁵

²³ Northern Ireland Housing Executive, *Homelessness Strategy 2022-27, Year 3 Progress Report*, available [here](#).

²⁴ Northern Ireland Housing Executive, *Ending Homelessness Together: Homelessness Strategy 2022-27*, available [here](#).

²⁵ As above, page 27.

The Bill's provision and objectives therefore would seek to help implement the NIHE's current Strategic Plan, as explained below.

2.4 Housing (Amendment) Bill Provisions

The Bill's EFM outlined the Bill's key objective as:

...requiring the Housing Executive to provide support to people who are threatened [with] homelessness at an earlier stage, thereby increasing the likelihood of preventing the person from becoming homeless...there is clear evidence that preventing homelessness from occurring has both personal benefits for individuals, but also financial benefits for our public finances²⁶

The introduced Bill contained a single clause as follows:

In Article 3(6) of the Housing (Northern Ireland) Order 1988 (definition of threatened with homelessness) for “will become homeless within 28 days” substitute “will become homeless within 60 days”.

The Bill's EFM²⁷ stated there could be an increase in the number of people who are eligible for temporary accommodation, and the cost of providing this extra temporary accommodation could have financial implications. Here, it is relevant to note NIHE's expressed concerns about the Bill's cost implications, as highlighted in this Paper.

Conversely, the Bill Sponsor does not believe the increased demands on NIHE would be at a level that would be unmanageable. Instead, he argues that the additional time during which NIHE would be required to provide support would enable it to find more effective solutions than relying primarily on temporary accommodation²⁸.

The Bill's EFM reflects an expectation that the Bill would have a net positive financial impact on the public purse and wider economy by preventing more

²⁶ *Housing (Amendment) Bill – Explanatory and Financial Memorandum*. Available [here](#).

²⁷ As above.

²⁸ As above.

homelessness: it states the Bill would be ‘the most cost-effective way of dealing with homelessness’.

3 Comparative Evidence from Other Jurisdictions

This section explores the legislative framework of homelessness support across England, Scotland, Wales and the Republic of Ireland, to provide a comparative perspective when scrutinising the introduced Bill. It draws on the experience of those jurisdictions, including their legislative frameworks, as well as any relevant costing exercises available to RalSe-PFSU at the time of writing.

3.1 England

3.1.1 Background

In England, the Housing Act 1996²⁹ previously outlined that a person was threatened with homelessness “if it is likely that he will become homeless within 28 days”. The Housing Act 1996 was later amended following the passage of the Homelessness Reduction Act 2017³⁰, which extended the period during which a local authority should treat someone as threatened with homelessness from **28 days to 56 days**. The 2017 Act implemented dramatic reforms to statutory homelessness services beyond the support threshold and thus was more detailed than the current Bill under consideration within this paper.

In May 2022, the homelessness charity *Crisis* commissioned a report³¹ to examine the impact of the 2017 legislative changes in England. The report found that broadly, a critical shortage of housing in England was preventing the Homelessness Reduction Act 2017 from reaching its full potential. It also noted that outcomes varied widely between local authorities. Importantly, it argued that a package of long-term funding was required for local authorities to meet their new duties.

²⁹ *Housing Act 1996*, available [here](#).

³⁰ *Homelessness Reduction Act 2017*, available [here](#).

³¹ *Research into the Homelessness Reduction Act*, Crisis, available [here](#).

The Homelessness Prevention Bill³² was a Private Member's Bill introduced to the House of Commons in October 2024. Amongst other provisions, that Bill sought to extend the definition of homelessness from **56 days to 6 months**. However, the 2024-26 session of Parliament was prorogued in May 2026, meaning the Bill did not pass into law before the session concluded.

3.1.2 Cost Implications

The Explanatory Memorandum for England's Homelessness Reduction Bill, as introduced, notes that "all of the clauses in the Bill set duties on local housing authorities"³³. That is a key difference in the framework of homelessness prevention when compared to Northern Ireland, where the NIHE acts as the lead across the region.

A 'New Burdens Assessment' was subsequently prepared and published in October 2017, outlining the funding which would be made available to local councils in order to allow them to fulfil the new duties outlined in the Homelessness Reduction Act 2017³⁴. A total cost of **£72.7m** over the following three years was identified in this assessment, with the largest portion of that in earlier intervention, coupled with duties to assess and help to prevent homelessness. Note that the lead role of local councils in England complicates the picture when trying to draw inferences for Northern Ireland, as the NIHE has a lead role across the region, unlike the situation in England.

Moreover, these legislative changes in England, with regard specifically to the support threshold, are closer in scale to the Northern Ireland Bill's proposed timeframe. The legislation in Scotland and Wales extended the 'threatened with homelessness' timeframe to 6 months, which is notably longer than the Bill's proposed definition of 60 days. The costings derived for legislative changes in England could be more informative than those for Scotland and Wales.

³² *Homelessness Prevention Bill*, available [here](#).

³³ *Homelessness Reduction Bill – Explanatory Notes*, available [here](#).

³⁴ *Homelessness Reduction Act: new burdens funding*, GOV.UK guidance, available [here](#).

However, in any case, the significant differences in legislative scope mean robust cost comparison across jurisdictions is limited.

3.2 Scotland

3.2.1 Background

Previously in Scotland, under the Housing (Scotland) Act 1987³⁵, a person was considered ‘threatened with homelessness’ if it was likely they would become homeless within 28 days. The Housing (Scotland) Act 2001³⁶ extended this to 2 months. The Housing (Scotland) Act 2010³⁷ introduced a duty, under Section 32B of the 1987 Act, on local authorities to conduct a housing support assessment for applicants who are unintentionally homeless or threatened with homelessness, and who they ‘have reason to believe’ need housing support.

Then, further landmark changes to the housing framework were implemented with the passage of the Housing (Scotland) Act 2025³⁸. Sections 52-53 of the Act outline several notable changes regarding homelessness, as follows:

1. A person is threatened with homelessness if it is likely that the person will become homeless within **6 months**.
2. A local authority may no longer make inquiries as to whether a person became threatened with homelessness intentionally.
3. If, in the process of assessing the needs of a person in the exercise of its functions, a relevant body has reason to believe that the person may be homeless or threatened with homelessness, the body **must ask the person if this is the case**, and act to provide support (‘ask and act’ duty).

³⁵ *Housing (Scotland) Act 1987*, available [here](#).

³⁶ *Housing (Scotland) Act 2001*, available [here](#).

³⁷ *Housing (Scotland) Act 2010*, available [here](#).

³⁸ *Housing (Scotland) Act 2025*, available [here](#).

Scotland's current framework for homelessness therefore has a much wider window for support to those threatened with homelessness than Northern Ireland, under the proposals contained in the Bill.

3.2.2 Cost Implications

The Scottish Parliament Information Centre (SPICe) published a Research Paper on the proposed Housing (Scotland) Bill 2025³⁹. The Paper states responses to the Scottish Government consultation on homelessness prevention agreed with the proposals to extend the time in which the prevention duty applied, but further noted that there were some caveats to that support:

Many, however, caveated their agreement or were unsure because of concerns about how an extended duty would work in practice. Whilst a few stated their current prevention would simply begin earlier, concerns about training, capacity and resourcing due to increased caseloads was a recurring theme⁴⁰.

The Scottish Government prepared a detailed Financial Memorandum⁴¹ (FM) to accompany the introduction of the Housing (Scotland) Bill 2025. To note, this legislation was much more wide-ranging than the introduced Bill here in the Assembly. Nevertheless, the FM helpfully breaks down identified estimated costs by category, including for 'homelessness prevention'.

For homelessness prevention, the FM estimated costs of **£2.2-2.8m per year** for the three years under consideration. As a somewhat crude comparative indication, adjusting this estimate based on Northern Ireland's smaller population gives an indicative estimate of between **£768,000-£989,000 per year**⁴². That figure, however, should not be treated as a robust costing. The Housing (Scotland) Act 2025 was broader in scope than the introduced Bill here

³⁹ *The Housing (Scotland) Bill – SPICe Briefing* (2024), available [here](#).

⁴⁰ As above.

⁴¹ *Housing (Scotland) Bill 2025 – Financial Memorandum*, available [here](#).

⁴² Scotland's population is approximately 2.9 times larger than Northern Ireland's based on NISRA's latest mid-year population estimates, available [here](#). The NI figure is derived simply by dividing the Scottish estimate by 2.9.

and therefore has a wider range of cost-influencing mechanisms. Furthermore, the different context of social housing demand and supply, and a different starting point of factors which drive homelessness between Northern Ireland and other jurisdictions, means cost comparison is difficult and limited.

Examining the structure of identified costs relating to earlier preventative action to tackle homelessness is perhaps a more useful approach in this regard. The FM states “...if homelessness can be more effectively prevented...savings [would] be made across public services”⁴³. It further argues that whilst there would be associated costs particularly in the early years, over time these would be offset by savings from reduced pressure on services due to lower homelessness rates, including less use of temporary accommodation. **Table 2** below shows a summary of one-off costs to the Scottish Government and relevant bodies:

Table 2: One-off Costs to Scottish Government and Relevant Bodies as a Result of Part 5 of the Housing (Scotland) Act 2025

One-off costs	Cost estimate		
	2025-26	2026-27	2027-28
Training materials	£25,000	£30,000	N/A
Consultation/engagement on guidance and awareness raising	£30,000	£30,000	N/A
SSIs ⁴⁴	N/A	£1,230	N/A
IT upgrades	£343,750	£343,750	N/A
Total	£398,750	£403,750	N/A

Source: Housing (Scotland) Bill 2025 – Financial Memorandum

⁴³ As above, page 81.

⁴⁴ Scottish Statutory Instruments are a form of subordinate legislation, in this case used to commence specific provisions of the Act.

It is unclear whether these specific costs would materialise in Northern Ireland in the same way if the Bill was enacted and implemented as introduced, given that the introduced Bill in Northern Ireland is a more focused intervention in one aspect of the homelessness prevention system.

In terms of recurring costs, the FM outlines total additional staffing costs of between **£805,651-£4,028,256** across the Scottish Government, Housing Associations and other relevant bodies, to implement the homelessness prevention measures contained within the Act. Note that this is relevant to the overall assessment in the following sub-section regarding the introduced Bill.

Overall, whilst the FM in Scotland provides significant detail relating to the changes in Scotland, given the differences in the extent of the legislation, the different window of time (6 months versus 60 days), and the structural differences in housing provision across jurisdictions, it is challenging to draw robust conclusions from this evidence.

3.3 Wales

3.3.1 Background

The Homelessness and Social Housing Allocation (Wales) Act 2026⁴⁵ received Royal Assent on 1 April 2026. It aims to transform the homelessness system in Wales; enabling it to both focus on earlier identification and prevention of homelessness and provide support for those threatened with homelessness. It also aims to create the statutory conditions for a ‘multi-agency response’ to homelessness, including a much wider range of specified public authorities - known as the ‘ask and act’ duty, like Scotland.

The 2026 (Wales) Act is the result of many years of extensive engagement and co-production. Notably, it expands the definition of ‘threatened with homelessness’ from the previous **56 days to 6 months**.

Like Scotland, it also abolishes the priority need and intentionality tests, which the Welsh Government maintains have historically limited access to

⁴⁵ *Social Housing Allocation (Wales) Act 2026*, available [here](#).

homelessness assistance for many individuals. Given the broad similarities to the Housing (Scotland) Act 2025, the detail of these will not be repeated here. And while the Welsh Act makes further provisions in other areas of housing support, those are less relevant to the analysis provided in this Paper.

3.3.2 Cost Implications

The Welsh Government prepared a detailed Explanatory Memorandum⁴⁶ (EM) to accompany the Homelessness and Social Housing Allocation (Wales) Bill.

Whilst the EM goes into extensive detail on every provision, for a wide range of bodies, for the purposes of this Paper, only the expected costs associated with the extension of the support window are addressed below.

The EM states that the extension of the ‘threatened with homelessness’ window from 56 days to 6 months would lead to a central estimated increase of 15% in caseloads of people presenting as threatened with homelessness⁴⁷.

Accordingly, the estimated additional cost per year resulting from this is broadly estimated at **£2.2 million per year**.

3.4 Republic of Ireland

3.4.1 Background

The legislative framework underpinning homelessness and support for those threatened with homelessness are different and more fragmented in the Republic of Ireland when compared to that provided in jurisdictions in Great Britain, according to research in RaISe Paper NIAR 217-24⁴⁸ (dated April 2025). Homelessness legislation is primarily contained within the Housing Act 1988⁴⁹,

⁴⁶ *Homelessness and Social Housing Allocation (Wales) Bill – Explanatory Memorandum incorporating the Regulatory Impact Assessment and Explanatory Notes*, available [here](#).

⁴⁷ As above, page 96.

⁴⁸ *Homelessness: a comparison of legislative framework in Northern Ireland, England, Scotland and Wales*, RaISe, available [here](#).

⁴⁹ *Housing Act 1988*, available [here](#).

the Health Act 1953⁵⁰, the Childcare Act 1991⁵¹, and most recently, the Housing (Miscellaneous Provisions) Act 2009⁵².

As further noted in [RalSe Paper NIAR 217-24](#)⁵³, it was not possible to find a specific timeframe in which a person should be considered ‘threatened with homelessness’, and therefore eligible for specific support. It is therefore challenging to use the Republic of Ireland to draw any specific inferences as to the public purse implications of the introduced Bill.

It nonetheless is important to be aware that the Republic of Ireland is currently in the process of legislating on various reforms to the housing system, including the Residential Tenancies (Miscellaneous Provisions) Act 2026⁵⁴, the Housing and Residential Tenancies (Miscellaneous Provisions) Bill 2026⁵⁵, and the Forty-first Amendment of the Constitution (Right to Housing) Bill 2026⁵⁶. However, at the time of writing, the Republic of Ireland currently has no legal right to housing⁵⁷, and no statutory period during which those threatened with homelessness are entitled to support. Given the extent of the legislative differences noted between jurisdictions, including the lack of a comparable ‘threatened with homelessness’ definition, the context in the Republic of Ireland offers negligible utility as a cost comparator.

4 Key Potential Public Purse Implications

To establish key potential financial implications arising from the introduced Bill for the ‘public purse’, this section draws on the Bill’s substantive clause as introduced, the Bill’s accompanying EFM, the related consultation on the policy

⁵⁰ *Health Act 1953*, available [here](#).

⁵¹ *Childcare Act 1991*, available [here](#).

⁵² *Housing (Miscellaneous Provisions) Act 2009*, available [here](#).

⁵³ *Homelessness: a comparison of legislative framework in Northern Ireland, England, Scotland and Wales*, RalSe, available [here](#).

⁵⁴ *Residential Tenancies (Miscellaneous Provisions) Act 2026*, available [here](#).

⁵⁵ *Residential Tenancies (Miscellaneous Provisions) Bill 2026* available [here](#).

⁵⁶ *Forty-First Amendment to the Constitution (Right to Housing) Bill 2026*, available [here](#).

⁵⁷ The Forty-first Amendment to the Constitution (Right to Housing) Bill 2026 is seeking to change this.

proposals, the Assembly Second Stage debate on the Bill, and engagement between RalSe-PFSU and the NIHE about the Bill. A range of ‘knowns’ and apparent ‘unknowns’ at the time of writing will be explored, from which reasonably foreseeable potential financial implications will arise if the Bill would be enacted as introduced.

4.1 Bill’s EFM and Consultation

As previously outlined in [Section 2](#), the expected financial effects of the introduced Bill are outlined at paragraphs 39-44 of its accompanying EFM⁵⁸.

The EFM also reflects responses to the Bill’s public consultation, given that a separate summary of responses has not been made publicly available. Launched in April 2025, the consultation ran for 14 weeks; receiving 174 responses from individuals (including those experiencing homelessness), and from housing support organisations (including the NIHE). Whilst there was strong support from homelessness charities for the general thrust of the proposal, the EFM notes ‘initial cost implications’ for the NIHE. Some respondents, however, believed the Bill proposal would ultimately deliver long-term savings by reducing demand for (more expensive) crisis interventions and reliance on non-standard accommodation.

Paragraphs 39-40 of the EFM outline cost concerns expressed by the NIHE during the Bill’s consultation process:

In terms of the financial effects of the Bill, some consultees pointed out that there may be an increase in the number of people who are eligible for temporary accommodation and the cost of providing this extra temporary accommodation may have some financial impact. In response to the consultation, the NIHE commented:

In 2023/24, the overall cost to the Housing Executive for temporary accommodation was £34,395,077 which is a 360.3% increase from 2019/20 when the overall spending on temporary accommodation costs

⁵⁸ *Housing (Amendment) Bill – Explanatory and Financial Memorandum*. Available [here](#).

was £7,472,594. In 2023/24, 35.5% of the spend was on non-standard temporary accommodation. To introduce the proposed Bill, which would seek to extend the time-period for which the Housing Executive would owe a statutory duty (including the provision of temporary accommodation) would have detrimental financial implications on the Housing Executive.

It is unclear what scale of additional pressure the NIHE believe the Bill would place on demands for temporary accommodation, and in any case, robustly predicting future supply and demand would present difficulties. As well as the potential additional cost of providing temporary accommodation, the Bill, if enacted and implemented as introduced, would be likely to increase the overall casework for the NIHE housing support staff. It could transpire that extra staff would be required to ensure that any increased casework would be completed to an effective and efficient standard, which would be likely have some public purse implications. The NIHE raised concerns around the potential for the Bill to create significant administrative difficulties⁵⁹.

The introduced Bill's EFM addresses these concerns presenting his view at paragraphs 40-44 that the overall financial effects of the Bill would be positive:

The Bill Sponsor does not believe it will increase it to such a level that it becomes unmanageable and acknowledges that this warrants careful scrutiny. The Bill Sponsor intends to engage on this in good faith as the Bill progresses.

It is difficult to quantify the impact the provisions within the Bill would have on existing housing supply although the Bill Sponsor believes that most people who contact the NIHE for assistance within the additional 32-day window will want to remain in their own tenancy. The extra time will give the NIHE more time to find other solutions so the numbers who actually avail of the temporary accommodation could be relatively low. The Bill Sponsor believes that the 600 new temporary accommodation units should be more than sufficient to meet any extra demand created by the

⁵⁹ *Housing (Amendment) Bill – Explanatory and Financial Memorandum*. Available [here](#).

Bill. When announcing the scheme to purchase these homes, he stated that it could save £75 million over 7 years.

However, the Bill Sponsor does not believe this will create any significant financial impacts, particularly in the context of the NIHE purchasing 600 new temporary accommodation units, which will reduce the reliance on non-standard temporary accommodation.

Overall, the Bill Sponsor believes this Bill will have a net positive financial impact as it will lead to more homelessness being prevented, which is the most cost-effective way of dealing with homelessness.

4.2 Initial Correspondence with NIHE

Given the NIHE's apparent significant reservations about how the Bill will affect its operations, as well as the wider housing market, RaISe- PFSU opened initial engagement with the NIHE to obtain further detail that could help to inform Assembly scrutiny of the introduced Bill. That engagement broadly reflected the NIHE's concerns, as noted in its response to the Bill's public consultation; whilst the NIHE noted that it was 'very difficult to provide meaningful cost' estimates⁶⁰.

4.3 Bill's Second Stage Debate

The Bill's Second Stage was completed on 21st September 2026⁶¹. The Bill Sponsor offered a further outline of the context and rationale behind the Bill's objectives and the form it has taken. During the debate it was noted that the current support period of 28 days for those 'threatened with homelessness' is mismatched to the current 'notice to quit'⁶² period of 56 days, which was extended as part of the Private Tenancies Act (Northern Ireland) 2022⁶³.

The debate also offered new information which is particularly relevant to this review of costs. In responding to the Bill Sponsor on the previously announced

⁶⁰ Correspondence between RaISe-PFSU and NIHE via email, 27th August 2026.

⁶¹ The official Hansard report of the second stage debate is available [here](#).

⁶² A notice to quit is a formal written document to end a periodic tenancy or rolling rental agreement.

⁶³ The full text of the Private Tenancies Act (Northern Ireland) 2022 is available [here](#).

scheme which would allow NIHE to purchase up to 600 homes to be used as new Temporary Accommodation units, the Minister for Communities stated:

I have been working with urgency to resolve that as soon as possible...I expect acquisitions to begin immediately, once approval is secured, which should be within the next month. However, those 600 homes were meant to deal with the pressures that we face now, not the additional ones that will come from the increased need for temporary accommodations as a result of the Bill...

It is notable that no homes have thus far been purchased under said scheme, despite its announcement in March 2025. This is a key point which has been raised, previously in the Bill's EFM, as potentially mitigating much of the extra demand which would be placed on the NIHE (albeit the Minister for Communities does not share this view, as expressed during the Bill's Second Stage debate)⁶⁴.

Additionally, within the discussion, both the Minister for Communities and an individual MLA cited new cost estimates from the NIHE that implementing the Bill could cost a total of £2.5 million per year. That figure is based on new estimates attempting to take into account the wider pressures currently facing the Department and the NIHE⁶⁵.

Potential Scrutiny Point:

2. The NIHE has provided the Minister for Communities with provisional costings which provide an illustrative estimate of the introduced Bill costing around £2.5 million per annum to fully implement. If so, what assumptions, modelling and structure of costs underpinned those NIHE estimates? Please detail.

⁶⁴ The official Hansard report of the second stage debate is available [here](#).

⁶⁵ As above.

A final point of relevance which was raised on more than one occasion during the Bill's Second Stage debate was a caution that extending the support period to 60 days may not automatically be reflected in higher occupancy of temporary accommodation during that period. And many households may not be provided with temporary accommodation until their tenancies are terminated.

4.4 Further Correspondence with NIHE Following Second Stage

Following this discussion, RalSe-PFSU immediately reached out to NIHE for greater clarity on their cost estimates. Further engagement was conducted via an online meeting on 23 September 2026, however a detailed written account from the NIHE as to how their estimates were derived has not been made available to RalSe at the time of writing. The Committee may therefore wish to refer to the scrutiny point above to obtain this in the course of its scrutiny of the Bill.

4.5 Quantifiable Costs

4.5.1 Increased Demand for Existing Temporary Accommodation

It is likely that the Bill, if enacted and implemented as introduced, would lead to increased temporary NIHE accommodation demand, particularly in the short-term. By extending the support threshold for those 'threatened with homelessness' from 28 days to 60 days, a larger cohort of households would become eligible for support at an earlier stage.

Here, it is important to note that in the Bill's EFM, the NIHE outlined ongoing significant increased costs of providing temporary accommodation – a rise of 360.3% between 2019/20 and 2023/24. That presents an apparent unsustainable level of growth from a financial perspective. Furthermore, as detailed in the EFM, 35.5% of the NIHE spending in 2023/24 was on non-standard temporary accommodation; accommodation that is notably more expensive to provide⁶⁶. Moreover, in March 2025, the Department for Communities (DfC) has stated non-standard temporary accommodation

⁶⁶ As detailed in the Bill's EFM.

spending had risen from around £670,000 in 2017/18, to over £12 million in 2023/24⁶⁷ - an increase of over 1,600%. Based on the stated sources, RalSe-PFSU observes that the 18-fold increase in just six years implies an area of costs that has been rising upwards at an unsustainable rate.

The scale of the public purse implications of the introduced Bill would depend on the scale of caseload increases stemming from the Bill, if enacted and implemented as introduced, which remains uncertain at this time. However, evidence from Wales⁶⁸ estimated an increase of 15% in caseloads from those presenting as threatened with homelessness, in the context of the Welsh Government increasing its support threshold from 56 days to 6 months. In Northern Ireland, applying an assumption that the marginal demand of caseloads decreases as the threshold increases would imply that caseloads under the introduced Bill could increase by more than 15%, if relying on the same modelling that applied in Wales.

The Bill's EFM states 'most people...will want to remain in their own tenancy' and 'the extra time will give [the] NIHE more time to find other solutions'⁶⁹. It is unclear from the information available at the time of writing as to what form those other solutions could take. It, however, would be reasonable to assume that this would generally take the form of mediation and advice from the NIHE. It is difficult to assess the extent to which that could mitigate demand on temporary accommodation under the Bill, if enacted and implemented as introduced. It is important to be aware that alternative solutions also could generate additional demands on the NIHE and therefore impact financial implications arising from the Bill.

Another issue to consider is the types of households which may be threatened with homelessness. For those already in tenancy agreements for their household, they may not require temporary accommodation until their statutory

⁶⁷ Minister announces plan for better value for money and more appropriate Temporary Accommodation, Department for Communities (2025), available [here](#).

⁶⁸ Homelessness and Social Housing Allocation (Wales) Bill – Explanatory Memorandum incorporating the Regulatory Impact Assessment and Explanatory Notes, available [here](#).

⁶⁹ Housing (Amendment) Bill – Explanatory and Financial Memorandum. Available [here](#).

notice to quit period expires, and thus the increased demands for temporary accommodation for these types of households may not spike during the extra period of support. This point was raised by several Members during the Bill's second stage debate on 21 September 2026. It would be beneficial for the Committee for Communities – and the wider Assembly - to understand more about the proportions of different types of people who present as 'threatened with homelessness' to the NIHE.

That appears to be a central potential public purse implication associated with the introduced Bill. The EFM states demand '...[would] not increase to such a level that it becomes unmanageable...', and that '...the numbers who actually avail of the temporary accommodation could be relatively low...'70. However, that is not accompanied by robust evidence and appears to be somewhat incompatible with the NIHE expectations, as set out during the Bill's development and repeated thereafter.

Potential Scrutiny Points:

3. The NIHE has outlined sizable concerns about significant increased temporary accommodation demand, if the Bill is enacted and implements as introduced:
 - a) Has the DfC engaged with the Bill Sponsor in relation to the introduced Bill? If so, please detail.
 - b) Has the DfC undertaken any analysis to date, to assess whether current temporary accommodation supply in Northern Ireland would be sufficient to meet the statutory requirements of the Bill, if enacted and implemented as introduced? Please detail such analysis or why it has not undertaken any such analysis.
4. Has the Department for Communities undertaken any preliminary scoping to support potential future contingency

⁷⁰ As above.

planning in this area, if the Bill enacted and implemented as introduced? Did any such planning include consideration of additional funding that could be needed? Please detail.

5. What data do the Department for Communities or the NIHE hold on the types of individuals who currently apply for support during the 28-day window? What assessment has been made by the Department as to how this could affect the structure of demands for temporary accommodation and additional support? Please detail.
6. What planning to date has the Department for Communities undertaken since the Executive's Programme for Government (including its commitments in this area) was issued, to minimise future reliance on non-standard temporary accommodation, which has driven costs up significantly? Please detail.
7. Would the Bill Sponsor, the Department for Communities and the NIHE please provide their individual views on the Bill's EFM where it states at paragraph 42 that '...the 600 new temporary accommodation units should be more than sufficient to meet any extra demand created by the Bill', including the evidence supporting their individual views? Please detail.

4.5.2 Increased Demand on NIHE (Staff Caseload)

As pointed out in the Bill's EFM, it is likely that this Bill, if enacted and implemented as introduced, would place material additional pressure on NIHE staff time and resources. Put simply, the Bill would make a larger cohort of households eligible for support from NIHE, over a longer period. This would be likely to generate additional costs, potentially directly through increased recruitment of the NIHE staff to administer the larger caseload, and indirectly in other areas of its organisation that would be involved in the new legislation's

implementation. Opportunity costs also could arise if the NIHE staff would need to be redeployed from other NIHE business areas to support teams which deal with those threatened with homelessness – thereby shifting pressures across the NIHE workstreams.

The NIHE staff could experience increased stress when implementing the new legislation, which could lead to a drop in productivity and or an increase in stress-related absence, which would serve to compound cost and wider administrative pressures. Work-related stress and burnout have been estimated to cost the United Kingdom economy £28 billion per year and drives 23.3 million sick days a year⁷¹. Further, the introduced Bill offers no additional statutory support for the NIHE workers who could suffer such additional stress.

Potential Scrutiny Points:

8. What, if any, assessment has the Department for Communities made on the scale of increased demands on the NIHE staff time and resources as a result of the introduced Bill, if it were enacted and implemented as introduced; and the associated impact on the public purse?
9. What, if any, assessment, has the Department for Communities made of the level of increased recruitment or redeployment that would be necessary within the NIHE to fulfil the increased caseload requirements associated with the Bill, if enacted and implemented as introduced? What would be the expected cost associated with any increased recruitment? Please detail.
10. What, if any, additional support would the Department for Communities make available to the NIHE staff to support

⁷¹ *The true cost of running on empty: work-related stress costing UK economy £28bn a year*, AXA/CEBR (2023), available [here](#).

them to fulfil the Bill's requirements, if enacted and implemented as introduced?

4.5.3 Purchase of Additional Temporary Accommodation

Consultation responses highlighted concerns that without sufficient long-term funding or expansion of the housing stock, greater reliance would be placed on non-standard temporary accommodation, which has been increasingly more expensive to provide - as outlined earlier in this Paper. Given it is reasonably foreseeable that the Bill, (if enacted and implemented as introduced, would increase temporary accommodation demand, albeit to an unknown extent, the Department for Communities may prefer to put forward further investment into purchasing or constructing additional purpose-built temporary accommodation, especially given current Executive Programme for Government commitments in this area, to reduce reliance on more expensive non-standard temporary accommodation like hotels and B&Bs.

At present, homelessness support within DfC already represents a notable area of spend, with £67.3 million spent in 2024/25⁷² on targeted interventions. In this context, even marginal demand increases could have material fiscal implications for the Department, including the NIHE. On 26 March 2025, the Communities Minister's announcement that the NIHE would be permitted to purchase 600 homes over the next three years to use as temporary accommodation may go some way to mitigating those pressures⁷³. However, no homes have so far been purchased under this scheme. The scale of this balance is unclear at present due to the current uncertainty around how many more households would seek support at an earlier stage, and the Bill's EFM does not offer robust evidence to support its assertion that this would be sufficient to cover the increased demand.

⁷² Northern Ireland Housing Executive, *Homelessness Strategy 2022-27, Year 3 Progress Report*, available [here](#).

⁷³ *Minister announces plan for better value for money and more appropriate Temporary Accommodation*, Department for Communities (2025), available [here](#).

Potential Scrutiny Point:

11. What, if any assessment, has the Department for Communities made of the potential need to purchase or construct additional purpose-built temporary accommodation to fulfil the Bill's provisions, if enacted and implemented as introduced?

4.6 Unquantifiable Costs

4.6.1 Increased Complaints to NIHE

Another point to be aware of is the potential for increased levels of customer dissatisfaction, and therefore complaints, resulting from the Bill's increased demands of the NIHE staff. If substantial additional complaints materialised, that could generate further costs to the NIHE, both in administering any such complaints and in taking remedial action where required. At the time of writing, the scale and form of potential complaints is a current unknown, dependent on a range of interacting factors.

4.6.2 Long-Term Benefits

If enacted and implemented as introduced, the Bill Sponsor maintains it would ultimately generate a 'net positive financial impact' because it would lead to the prevention of more homelessness, which he argues is the most cost-effective way of dealing with homelessness.

The Bill Sponsor's underlying rationale is akin to policy changes across Great Britain - Scotland, England and Wales - where the statutory support threshold has been extended beyond 28 days. The Financial Memorandum (FM) prepared for similar proposed (albeit broader) legislative changes in Scotland stated that 'if homelessness can be more effectively prevented...savings [would] be made across public services [in Scotland]'⁷⁴. The FM further argued

⁷⁴ *Housing (Scotland) Bill 2025 – Financial Memorandum*, available [here](#).

that whilst there would be associated costs particularly in the early years, over time these would be offset by savings from reduced pressure on services due to lower homelessness rates.

This point merits further consideration, as lower homelessness rates could have much broader public purse implications than simply lowering spending on temporary accommodation. Those who are homeless typically rely on a much wider range of public support services than housing only – so a reduction in homelessness could alleviate pressures in many of these kinds of areas. Unfortunately, it is beyond the scope of this Paper to assess in detail the possible impacts that lower homelessness rates could have on wider public spending, but it is a point that warrants careful consideration when examining key potential impacts of the introduced Bill. Conclusions drawn only from potential short-term costs overlook potential long-term economic and social benefits.

Potential Scrutiny Point:

12. What, if any, assessment, has the Department for Communities made of the potential longer-term benefits of the Bill on Departmental expenditure and the wider public purse? Please detail.

5 Key Takeaways

The evidence reviewed within this Paper suggests the Housing (Amendment) Bill, if enacted and implemented as introduced, would be likely to result in additional expenditure pressures for the public purse in the short to medium term. Those would principally be through increased demand for homelessness prevention services, temporary accommodation provision and the NIHE staff resources.

The scale of those costs is uncertain at present, but they would be likely to represent a material cost to the public purse, based on the contents of this Paper. And when scrutinising the introduced Bill in Northern Ireland,

comparable Great Britain evidence in this area demonstrates extended statutory homelessness prevention duties generally do increase caseloads and implementation costs, albeit significant differences between the jurisdictions' legislative frameworks, housing systems, and homelessness pressures, present unknowns for purposes of this Bill. Analysis from the Republic of Ireland offers limited value to assessments of this Bill, given the significant differences in the legislative framework.

Particular scrutiny may be warranted regarding the capacity of existing temporary accommodation supply, the affordability of any increased demand within the Department for Communities budget, the potential need for additional NIHE staffing resources, and the adequacy of plans to reduce reliance on non-standard temporary accommodation.

On the other hand, the rationale underpinning the introduced Bill would help to implement commitments in the current Executive's Programme for Government. Moreover, the introduced Bill is consistent with homelessness prevention reforms implemented elsewhere in the United Kingdom and the Republic of Ireland, as highlighted in this Paper. Those jurisdictions' individual experiences provide relevant evidence showing indications that earlier intervention can deliver wider public purse savings over time, if homelessness could be prevented before crisis support becomes necessary.

Consequently, a central issue for consideration when scrutinising the introduced Bill is whether any short to medium term expenditure would be offset by longer term reductions in homelessness and associated pressures across housing, health and other public services. Current evidence suggests both additional costs and potential future benefits are plausible. However, the balance between them remains uncertain at this time, and arguably merits further examination.