

Media Release



Homelessness in Northern Ireland

The rising demand for temporary accommodation is causing potentially unsustainable financial pressure for homelessness services in Northern Ireland. In 2023-2024, around 4,700 households were in temporary accommodation, compared to 1,700 households a night in 2017 (a 176% increase). Dealing with the unprecedented demand for temporary accommodation cost the Housing Executive almost £39 million in 2023-24 and is also hindering its efforts to prioritise homelessness prevention measures. These are key findings of a report issued by the Comptroller and Auditor General today (Tuesday 25 March 2025).

Dorinnia Carville's report considers how the landscape around homelessness services has changed since 2017, including the factors driving demand and the impact on Housing Executive expenditure. It shows that while the number of households presenting and being accepted as homeless has been relatively stable, the costs of tackling homelessness have soared. The cost of providing temporary accommodation represented over half of all Housing Executive's spending on homelessness services in 2023-24. Whilst the majority of this was on self-contained, single let accommodation, the Housing Executive spent over £12 million on hotels and B&Bs last year, compared with around £7.5 million in 2022-23 and £0.9 million in 2018-19. Today's report notes that this expenditure is disproportionate to the number of households placed in such accommodation. While only around 10 per cent of households are placed in hotels and B&Bs, they account for over 30 per cent of annual spend on temporary accommodation.

As well as escalating costs, the increase in temporary accommodation has hindered the Housing Executive's efforts to prioritise homelessness prevention measures. A small proportion of Housing Executive spending, around £4.5 million in 2023-24 (representing around 6 per cent of total expenditure on homelessness services), is directed at preventing homelessness, despite this being at the very heart of its Homelessness Strategy

The report also outlines the impact of a lack of suitable, permanent social housing on the Housing Executive's ability to tackle homelessness effectively. The Housing Executive has identified a need for almost 25,000 new social houses between 2023 and 2028, however current rates of funding and capacity issues mean that new starts are falling

considerably below the level required. Allocations to social housing are not keeping pace with the level of demand. Since 2017 the number of homeless households on the social housing waiting list has increased by 81%, with 12,000 of these households having been on the waiting list for more than four years. Many of these households rely on temporary accommodation while they wait for a permanent home.

Commenting on the report's findings, Northern Ireland's Comptroller and Auditor General, Dorinnia Carville, said:

"There is currently an unprecedented demand for homelessness services, in particular temporary accommodation, which has been impacted by an inadequate supply of social housing, the impact of COVID-19 and the cost-of-living crisis. Homelessness has impacts across society, with long term consequences for health and education outcomes, and the costs to the public purse are significant and rising. Dealing with these issues is complex and my report acknowledges the efforts being made by the Housing Executive and those working in the sector under challenging circumstances.

However, in order to ensure the best use of public money, there is a need to reduce spending on hotels and B&Bs, and for an increased focus on homelessness prevention and the supply of new social housing. Until these key issues are resolved, demand for homelessness services is likely to continue to escalate to a point where it may become financially unsustainable."

ENDS

Notes for Editors

1. The Comptroller and Auditor General (C&AG) is Head of the Northern Ireland Audit Office (the Audit Office). She and the NIAO are totally independent of Government. The C&AG certifies the accounts of Government Departments and a range of other public sector bodies. She has statutory authority to report to the Assembly on the economy, efficiency and effectiveness with which departments and public bodies use their resources. Her reports are published as Assembly papers.
2. It is commonly misinterpreted that homelessness refers to 'rough sleepers', however it more accurately refers to those individuals who are in accommodation which is unsuitable, or who depend on informal arrangements for housing.
3. The report is available on the Audit Office website at www.niauditoffice.gov.uk. The report is embargoed until 00.01 hrs on Tuesday 25 March 2025.