



Íocaíocht Cúnaimh Tithíochta
Housing Assistance Payment

Landlord Information Booklet



Your questions answered



Údarais Áitiúla Éireann
Local Authorities Ireland



Comhshool, Pobal agus Rialtas Áitiúil
Environment, Community and Local Government

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About this booklet

This booklet aims to answer questions that you, as a landlord (or an agent acting on behalf of a landlord), might have about the new local authority Housing Assistance Payment scheme – HAP.

1 What is the Housing Assistance Payment scheme (HAP)?

Housing Assistance Payment (HAP) is a new social housing support being introduced by local authorities. HAP will replace Rent Supplement for those with a long-term housing need who qualify for social housing support. The introduction of HAP means that local authorities can provide housing assistance for households with a long-term housing need, including many long-term Rent Supplement recipients.

HAP provides a more integrated system of housing supports and has been designed to allow households that find full-time employment to remain in the scheme.

Under HAP, local authorities will make payments on behalf of tenants directly to landlords in respect of rent. HAP tenants will be responsible for finding their own accommodation in the private rented sector.

2 What are the benefits of HAP for me?

- 1) Direct payment – you will be paid directly from the local authority, generally on the last Wednesday of each month.
- 2) Low administration – you don't need to make time to collect rent or make repeated requests for payment from the tenant.
- 3) Easy banking – all payments are made electronically.
- 4) From 1 January 2016 onwards additional tax reliefs are available for landlords who rent

their properties to tenants in receipt of Rent Supplement or Social Housing Support from a local authority, such as HAP. Further information is available on www.revenue.ie

3 Where will HAP be available?

HAP commenced operation in a small number of local authorities in 2014.

HAP is being introduced on a phased basis in local authorities across the country. Please contact your local authority for more information.

A special trial version of HAP for homeless households has also commenced in the Dublin region (Dublin City Council, Fingal County Council, South Dublin County Council and Dun Laoghaire Rathdown County Council).

4 How will HAP work?

Local authorities will pay HAP payments for households with a long-term housing need directly to you. The following points outline how the process works.

1) An applicant who is eligible for HAP finds a suitable property in the private rental sector. As part of their application process, you, the landlord of the property, must send certain information to the local authority. You can return Part B of the HAP application form with the relevant information directly to the local authority.

This information will include:

- a) The amount of the monthly rent
- b) Proof of ownership/entitlement to act as landlord of the property
- c) Your bank account payment details
- d) An undertaking regarding the property's compliance with standards for rental accommodation

- e) An undertaking regarding your tax compliance

The undertakings referred to in d) and e) are set out in Part 5 below and Section B of the HAP application form.

2) If the application is approved, the local authority will start making HAP payments for the agreed rent on the last Wednesday of each month directly into your bank account subject to the scheme's conditions. You should note that the earliest date from which a local authority will make HAP payments to you is the date they receive a complete and valid HAP application form from the applicant and you as landlord. If an applicant moves into a property before this date they will be liable for any rent due. You are advised to return a completed Section B of the HAP application form to the local authority as soon as possible after agreeing a tenancy.

3) In general, HAP payments will be made to your account on the last Wednesday of each month, in arrears.

4) Similar to the Rent Supplement scheme, there will be limits regarding the maximum payment for different household types in different areas.

5) As with other tenancies, the Residential Tenancies Act 2004 (RTA) (as amended) will govern the relationship between you and your tenant. This means that you have to register the tenancy with the Private Residential Tenancies Board (PRTB). Further information is available on the PRTB website www.prtb.ie. Local authorities will send lists to the PRTB of all landlords receiving HAP payments. This lets the PRTB check that all tenancies where HAP is being paid have been registered.

6) You don't have a contract with the local authority. The local authority is making a payment on behalf of the HAP tenant.

5 What are the terms and conditions of HAP?

1) Compliance with rental accommodation standards.

HAP properties, as with other rental properties, must comply with rental accommodation

standards. Your local authority can give you information about these standards, or, visit the housing section of the Department of the Environment, Community and Local Government website www.environ.ie.

As part of a tenant's application, you as landlord must self-certify that the property meets the required standards. The local authority will inspect the property to make sure it meets the standards. This inspection will be carried out within eight months after the first HAP payment is made.

2) Tax compliance.

To receive HAP payments, you must be tax compliant. You'll be asked to certify that you are tax compliant as part of the tenant's HAP application. You have up to five months after the first HAP payment is made to produce a current and valid tax clearance certificate to your local authority to show you are tax compliant. However, you may have to do this sooner depending on the amount of the HAP payments you are receiving. You must produce a tax clearance certificate before payments to you total €10,000.

3) Tenant compliance.

HAP tenants have to pay a weekly rental contribution to the local authority in line with the local authority's differential rent scheme. This contribution **must** be paid by them so that they remain eligible for HAP, and so that you can, therefore, continue to receive HAP payments.

6 Are there limits on HAP payments?

Yes. Under HAP legislation, the Minister for the Environment, Community and Local Government sets limits for HAP payments based on the number of people in a household and the rental market in the locality. To begin with, as HAP is being introduced, these limits will be based on the current Rent Supplement limits. You can get further information on the limits that apply to your property, which may vary depending on the size of the tenant's household, from your local authority.

7 Who pays the rental deposit?

The tenant pays the rental deposit. Under HAP, the local authority **does not** pay the deposit. In some cases, tenants who qualify for HAP might also be eligible for an 'exceptional needs' payment from the Department of Social Protection. This payment may assist with paying a deposit, subject to approval by the Department of Social Protection.

8 Who is the 'landlord' – me or the local authority?

The key 'landlord and tenant' relationship is between you and the HAP tenant. As such, the tenancy will be governed by the terms of the Residential Tenancies Act 2004 (as amended). This means that the HAP tenant is **your** tenant and is **not** a tenant of the local authority.

9 Can HAP payments be suspended or stopped?

Yes. HAP payments will stop when either you or your tenant end the tenancy for any of the normal reasons provided for by the Residential Tenancies Act 2004 (as amended).

As a first step, the HAP payments may be suspended rather than stopped in order to give you time to sort out any difficulties. If these difficulties are resolved, payments resume; if not, payments may be stopped completely.

Local authorities can also suspend or stop payments for other reasons. Some examples are given below:

Example 1

A local authority may suspend or stop HAP payments if the HAP tenant fails to make the required rent contribution to the local authority. If this happens, the tenant is responsible for paying the full rent themselves. To reduce the risk of this happening, HAP recipients will generally be required to set up automatic electronic payment arrangements.

Example 2

HAP payments may also be stopped if the inspection of the property shows that the accommodation does not meet the requirements for rental properties and that you have failed to bring it up to standard.

Example 3

Payments may be stopped if you have not provided current and valid tax clearance certificates to the local authority within the required timeframe.

10 How will the changeover from Rent Supplement to HAP payments work?

Local authorities are working with the Department of Social Protection to change some tenants over from Rent Supplement to HAP payments. Tenants who have been receiving Rent Supplement for a significant period of time and who have qualified for social housing support will be switched over to HAP over a period of time.

If your tenant is receiving Rent Supplement, they might contact you about changing to HAP if you're agreeable to the terms of the scheme. We expect that these changeover tenants will stay in their existing accommodation wherever possible. The changeover will take place on an agreed date. After that date, the local authority will make rent payments directly to your bank account.

Rent Supplement will continue to be paid by the Department of Social Protection to tenants who don't qualify for social housing support – for example, someone who loses income through temporary unemployment. When they return to work, there is no longer a need for support.

Further information:

For further information about HAP, visit the Department of the Environment, Community and Local Government website: www.environ.ie or Citizen's Information website: www.citizensinformation.ie