



Íocaíocht Cúnaimh Tithíochta
Housing Assistance Payment

Landlord Information Booklet



Your questions answered



Údaráis Áitiúla Éireann
Local Authorities Ireland



An Roinn Tithíochta, Pleanála,
Pobail agus Rialtais Áitiúil
Department of Housing, Planning,
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 Housing Assistance Payment scheme – HAP.

1 What is Housing Assistance Payment (HAP)?

Housing Assistance Payment (HAP) is a form of social housing support provided by local authorities. HAP replaces Rent Supplement for those with a long-term housing need who qualify for social housing support. Under HAP local authorities 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 allows 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) **Tax Relief** - Since 1 January 2016, landlords who rent to tenants in receipt of social housing supports such as HAP may avail of increased tax relief. This allows property owners

to claim 100 per cent relief on their mortgage interest, as an expense against rental income. To qualify, you must undertake to make the accommodation available to qualifying tenants for a minimum period of three years, and the undertaking must be registered with the Residential Tenancies Board. Further information is available on www.revenue.ie

3 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 4 below and Section B of the HAP application form.

2) When 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. Every payment received will be in respect of the tenant's occupation of the property for the calendar month in which the payment is made.

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 Residential Tenancies Board (RTB). Further information is available on the RTB website www.rtb.ie. Local authorities will send lists to the RTB of all landlords receiving HAP payments. This lets the RTB 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.

4 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 Housing, Planning, Community and Local Government website www.housing.gov.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 arranged by the local authority 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 must produce evidence of tax compliance 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.

5 Are there limits on HAP payments?

Yes. Under HAP legislation, the Minister for Housing, Planning, 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. 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.

6 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.

7 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.

8 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 evidence of tax compliance to the local authority before payments to you total €10,000.

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

Local authorities work with the Department of Social Protection to change 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 to HAP over a period of time.

If your tenant is receiving Rent Supplement, they might contact you about changing to HAP. 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 Housing, Planning, Community and Local Government website: www.housing.gov.ie or Citizen's Information website: www.citizensinformation.ie