

HOMELESS HAP SECTION DUBLIN REGIONAL HOMELESS EXECUTIVE

Presentation to SPC 5th July, 2018



Comhairle Cathrach
Bhaile Átha Cliath
Dublin City Council

WHAT IS Homeless H.A.P

- If you are homeless and registered as homeless with one of the Dublin Local Authorities, you can apply to the homeless section of your local authority to access [HAP](#).
- HAP is a social housing support that allows you to work and or attend training and education. You pay rent to the local authority that is affordable and based on your income. The local authority pays your landlord the market rent.



Background

- Previous to 2014 individuals and families who wanted to access housing on the private rented market could apply for Rent Supplement.
- There were a number of issues with RS – non payment of rent, trapped tenants in poverty, low housing standards, top ups to landlords, landlords distrusted scheme.
- The Housing Assistance Payments Scheme was designed to address these inadequacies. It was first piloted in 2014 by Limerick County Council. HAP is now operational in every county in Ireland, and the national HAP hub is operated out of Limerick.
- Homeless HAP was first piloted in Dublin in 2015



Mainstream HAP vs. Homeless HAP

- Mainstream HAP is now operational in every county in Ireland. They do not pay deposits, they pay rent in arrears and have a 20% discretion to use above the set rent caps in an area.
- Homeless HAP was first piloted in Dublin in 2015 and is not yet available in any other county. Deposits are covered, rent is paid in advance and have a 50% discretion to use above the set rent caps in an area.



Eligibility

- To be eligible for Homeless HAP you must:
 1. Be assessed as having a housing need by one of the four Dublin local authorities – (DCC, Fingal, Dun Laoghaire/Rathdown, South Dublin) their place on the housing waiting list should not be deferred/postponed/cancelled etc.
 2. Be registered as homeless. (have a PASS ID)
 3. Be approved for the Homeless HAP Scheme by your local authority. (CPS)



How does Homeless HAP operate?

- Once the client has found an agreeable landlord they must complete the HAP application form and bring all completed documentation into Parkgate Hall.
- HAP will make an initial payment of a deposit and 2 months rent in advance to secure a property, once the relevant documentation has been provided.
- The Homeless HAP section will then process the application forms and the HAP hub in Limerick will take over the rent payments on the property.



How does Homeless HAP operate?

- Once Limerick have taken over the rent payments the tenant will need to start to pay their weekly differential rent.
- Differential rent is based on the tenants income. The percentage of their income that goes towards rent depends on the local authority that they are registered with.



How does Homeless HAP operate?

- Once someone is in a HAP tenancy it is deemed that their housing needs are met. This person is no longer applying for social housing, they are applying to transfer from a HAP property into local authority housing.
- Once a person moves into a HAP tenancy it is expected that they will stay there for a minimum of 2 years (outside of exceptional circumstances).



Benefits of HAP

- The benefits of the HAP Scheme over other private renting schemes:
 1. Rent paid directly to landlord by the local authority.
 2. Environmental Health Officer will call to inspect tenancy within the first 6 months.
 3. Tenants are able to find employment without it affecting their rent payments to landlord.
 4. More of a buy in from landlords due to security of rent payments & not tied into contracts.
 5. Contract is between tenant & landlord and disputes resolved by Rent Tribunal Board.
 6. Tenants rent contributions are deducted at source.
 7. Top ups capped – tenant cannot be paying more than 30% of income on rent.
 8. Support worker assigned to help set up tenancy.



Movement within local authorities

- In Homeless HAP it has always been possible for people registered in Dublin to move freely within the four local authorities for HAP accommodation.
- Recently there has been a policy change that allows people to move to other certain local authorities for HAP accommodation.
- If you are registered on the housing list in Dublin then you can move to Kildare, Wicklow, Meath, Galway and Cork city (not county) for HAP accommodation without needing to come off the Dublin housing list.



Statistics

	Tenancies	DCC	DLRCC	FCC	SDCC
2015/2016	1259				
2017	1594	893	117	305	279
Jan 2018 to date	735	393	47	129	166
Total	3588	1286	164	434	445





HOUSING ASSISTANCE PAYMENT

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What is HAP?

- New form of Social Housing
- Replaces Rent Supplement for households with long-term need
- Housing Authority responsible for all households where housing need is determined
- Short term cases stay as Rent Supplement
- Household sources their own accommodation on the basis of the HAP rent limits
- Mainstream HAP does not pay deposits or rent in advance



What is HAP?

- HAP payment is paid directly to landlord by Dublin City Council on behalf of the tenant. DCC is not a party to the tenancy
- Once housed through HAP – housing needs are met but HAP recipients qualify for social housing support via Transfer List
- HAP tenancy pays differential rent and can work full-time
- Inspection of property to be arranged within 8 months of first HAP payment being made to landlord
- 602 inspections carried out from 1st March 2017 to May 2018 on mainstream HAP properties
- 226 inspections completed and compliant with Rental Standards



HAP Maximum Rent Limits from 1st March 2017 for four Dublin Local Authorities

1 adult in shared accommodation	Couple in shared accommodation	1 adult	Couple	Couple or 1 adult with 1 child	Couple or 1 adult with 2 children	Couple or 1 adult with 3 children
€430	€500	€660	€900	€1,250	€1,275	€1,300



Roll-Out of HAP

HAP was introduced in housing authority areas on a statutory phased basis

Year	Housing Authorities
2014	Cork County Council, Limerick City & County Council, Waterford City & County Council, Kilkenny, Louth, Monaghan, South Dublin Homeless HAP
2015	Donegal, Offaly, Carlow, Clare, Cork City Council, Tipperary, Kildare, Meath, Galway County Council, Mayo, Sligo
2016	Galway City Council, Cavan, Kerry, Laois, Leitrim, Longford, Roscommon, Westmeath, Wexford, Wicklow
1 March 2017	Final Phase: Dublin City Council Dunlaoghaire-Rathdown Fingal County Council



Roll-Out of HAP

- HAP is the largest non-capital programme under Rebuilding Ireland
- Rebuilding Ireland target of 84,000 tenancies due nationally by 2021
- Over 44,897 HAP tenancies have been set up nationally to date (including 7,435 closed tenancies)
- 37,462 households are currently being supported by HAP nationally
- Budget 2018 - €301m
- Payments to landlords/agents - €28m for June 2018. Increasing by €1m per month
- Monthly differential rent run - €4m per month. Increasing by €300,000 per month



Mainstream HAP Tenancies

- 1,649 mainstream HAP tenancies have been set up since 1st March, 2017 (including 65 closed tenancies)
- 24% of these tenancies are Rent Supplement Transfers
- Formal transfer of Rent Supplement recipients to HAP due to commence in 4th Quarter 2018
- RS Transfer process due to be completed by 2020



Breakdown of DCC HAP Tenancies

Municipal / LA Area	No. of Active Tenancies	% of Total DCC Tenancies
North Inner City	221	13.9%
Beaumont-Donaghmede	212	13.4%
Cabra-Finglas	156	9.8%
Ballyfermot-Drimnagh	134	8.4%
Crumlin-Kimmage	121	7.7%
Ballymun	92	5.8%
Rathgar-Rathmines	82	5.2%
Clontarf	80	5.1%
Kilmainham-Inchicore	38	2.4%
Pembroke South Dock	36	2.3%
Fingal County Council	219	13.9%
South Dublin County Council	131	8.3%
Dunlaoghaire-Rathdown	17	1%
Meath, Kildare, Wicklow & Cork City Councils	45	2.8%
Total Active Tenancies	1,584	100%



Comparison between Rent Supplement and HAP

RS

- Tenant sources own accommodation
- DSP considers assistance with deposit (means tested)
- Tenant pays landlord
- Tenant makes contribution towards rent
- Maximum of 30 working hours
- On the Housing List

HAP

- Tenant sources own accommodation
- Local authority does not pay deposit
- HAP SSC pays landlord
- Tenant pays differential rent (income based rent contribution)
- Can work full-time
- Housing need is met. Tenant moves to Transfer List

Shared Services Centre, Limerick City & County Council

- Formally awarded contract in 2016 following a bidding process
- Manage HAP landlord and tenant transactions for all 31 local authorities
- Manage tenant debt recovery process
- HAP data management and analytics



Rental Accommodation Scheme (RAS)

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Overview

- The RAS Scheme was announced by Government as a new Housing initiative in the Year 2004
- LA's enter into direct contracts with landlords to secure their properties for a minimum of 4 years
- Dublin City Council implemented the RAS Scheme in 2006
- DCC pays the Rent directly to the Landlord (92% Market Value)
- The RAS tenant pays a differential rent to DCC



Who Qualifies for RAS

- Eligibility

- Applicant is in receipt of a Rent Supplement (RS) payment from the DSP for at least 18 months
- Assessed as eligible for Social Housing Support
- The RAS property must satisfy applicants housing requirement



Benefits of the Scheme to Tenants

- Pays Differential Rent under the LA's Differential Rent Scheme
- Long Term Housing Security
- Can continue in the Scheme if employed
- Access to good quality rented accommodation
- Local Authority responsible for re-housing the Tenant



Benefits of the Scheme to Landlords

- Prompt rental payments directly from Local Authority
- No rent collection or arrears management
- No advertising costs
- No vacant periods



Landlord Responsibilities

- Accommodation must comply with Housing (Standards for Rented Houses) Regulations 2017
- Key “ Landlord & Tenant ” relationship remains between the Landlord /Tenant as governed by the Residential Tenancies Acts.
- Landlord must register their tenant and the property with the Private Residential Tenancies Board (PRTB)
- Routine Maintenance/Repair
- Dealing with any breaches of the RAS Tenancy Agreement – (e.g.. Tenant Issues)



DCC Responsibilities

- Procurement of additional RAS properties
- Ensuring compliance with standards for private rented accommodation
- Allocation of RAS properties
- Managing RAS transfers
- Rent Assessment & Collection
- Arrears Management



RAS Statistics

Current No. of RAS Tenancies- 1202

Central Area (285)
North West (213)
North Central (296)
Sth Central (374)
Sth East (34)

Year	Number of RAS Tenancies
2013	1507
2014	1479
2015	1436
2016	1366
2017	1266
2018	1202

Main Challenges for RAS

- Number of Landlords leaving the Scheme
 - Reasons Cited:
 - Selling the Property
 - Family Member/ Owner Occupation
 - Major Refurbishment Works
- RPZ Legislation:
 - Dublin was designated a Rent Pressure Zone on 24th December, 2016
 - Rent Increases to Landlords subject to a 4% maximum
- Sourcing Additional Properties



Long Term Leasing

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Long Term Leasing

- Feb 2009 DECLG introduced the long term leasing initiative.
- Facility to lease properties from private owners to provide social housing .
- Suitable vacant properties leased for 10 or 20 years



Lease Terms

- Rent to landlord negotiated at 80% of market rent
- Where a Management Company exists 85% of market rent
- Rent Reviews every two years on 10 year leases and every 4 years on 20 year leases (linked to CPI index)
- Dublin City Council responsible for day to day property maintenance
- Landlord responsible for structural repairs



Benefits to Landlord

- Guaranteed Rental Income
- No management of Tenants
- No rent or arrears collection
- No maintenance of the property (after the first six months of the lease)
- No requirement to register with the RTB
- No advertising or administration fees.



Dublin City Council's responsibilities under the terms of the lease

- Day to day property maintenance for the term of the lease
- Allocation of the property
- Rent assessment and rent collection
- Estate management
- Tenancy support



Owners responsibilities under the terms of the lease

- Structural insurance
- Structural maintenance and repair
- Payment of management company service charges where they apply.
- Payment of LPT.



Types of properties leased

- New and existing vacant properties in good condition
- Houses and apartments
- Single or multiple units
- All properties must comply with Housing (Standards for rented Houses) Regulations 2017



Current Leasing Statistics

- Currently Dublin City Council has 93 long term leases
- Further 26 leases are in progress.
- A number of proposers with potential to supply a significant number of properties have recently declared an interest in the scheme.



New Enhanced Lease

- New Enhanced Long Term Social Lease launched in January 2018
- Social Housing Leasing Targets **10,000** to 2021
- Managed & administered by the Housing Agency
- Objectives:
 - Ramp up scale of delivery
 - Target newly built/yet to be built homes
 - Target investors who can deliver at scale
 - Secure social housing accommodation



Main Features of Enhanced Lease

- Lease term is **25 years**
- Local Authority (the lessee) pays up to **95% of market rent**
- Rent indexed every 3 years based on the **Harmonised Index of Consumer Prices (HICP)**
- Lessor obliged to provide **Management Services** for the properties
- Local Authority (LA) is the **landlord to the tenant** and collects differential rent



Compared to current lease

Detail	Current Lease	Enhanced Lease
Minimum No Properties	1	20(in any one LA)
Percentage Mkt Rent	80-85%	95%
General maintenance	Local authority	Lessor
Term	20 years	25 years
Penalites	N/A	For maintenance failure
Landlord to tenant	Local authority	Local authority



Local Authority Role

- Central Role
 - Confirm Suitability for Social Housing
 - Confirm Appropriateness of Scale and Mixed Tenure
 - Accept/Agree proposed Rents
 - Inspect/Sign Off the properties for delivery
 - Lease Signed by LA
 - Rent Payments to Lessors
 - DCC is Landlord to the tenants
 - Administer operation of the Management Services

