

SWA Note for Information 201418

Do: Bainisteoirí Rannáin
Divisional Staff

Foireann Rannáin
Divisional Managers

Re: Rent Supplement and use of discretion to ensure that persons accommodation needs are provided

This note provides guidance to support the decision making process for rent supplement whereby an applicant seeks an increase in their rent above the appropriate limit for their family circumstances in the current private rented market where supply is significantly reduced.

The contents of this note should be applied to all persons in receipt of rent supplement and also to new applicants of the scheme. The note does not apply to families (with children) residing in Dublin who are covered by the Interim Tenancy Sustainment Protocol. Arrangements for a similar protocol are currently under negotiation in Cork Central division and a communication will issue separately to Cork based officers.

This document should be considered alongside information note issued in July 2014 re: discretionary powers under Article 38 of SI 412 of 2007.

The following **principles** should be applied - to ensure that persons retain their accommodation in the private rented market in which we are currently operating:

1. Officers should be cognisant of the local rental market in place.
2. Officers should carefully consider the ability of clients to re-negotiate their rent in the current market conditions with limited levels of supply available.
3. There should be no threat of homelessness or losing a tenancy to an individual or family as a result of a termination of rent supplement due to payments above the maximum rent limit *where the rent is in line with that of the local market*.
4. Where an officer considers a rental payment request in excess of the limits to be reasonable having benchmarked the rent to other properties in the area – rent supplement should be paid using Article 38.

The appropriate maximum limit, if less, should not be a basis for refusing the request or requesting that the person negotiates further with the landlord *where there is a risk of losing the property and where the rent is in line with that of the local market*.

Sent on behalf of

SWA Section

Tel. 071-9138616

9th December 2014

Appendix 1: Procedures to follow on ISTS when Awarding Article 38

Staff are reminded that where a decision is made to award a supplement towards rent under Article 38, it is important to record the information as follows:

- Per Circular 21/11 all payments above maximum limits must be communicated to the relevant AP for the administrative area. **The relevant AP approving the claim must ensure a completed R1 is retained locally, signed by the AP, and retained on file.**
- Payment should be made under Rent Supplement on ISTS and not under 'Other Supplement'. There is no requirement to close an existing Rent Supplement claim.
- "Article 38" should be entered first under the Remarks field – any other information can follow.
- The **Maximum Rent Limit** field must reflect the relevant prescribed rent limit and the **Weekly Rent Paid** must reflect the actual weekly rent paid to the landlord.
- Landlord details should be entered in full.
- IT Solutions are currently being designed to allow data capture of these types of payments with the use of a category code / use of STOR. Instructions relating to this will be issued shortly. In the intervening time, standard ISTS processing of claims can be used, along with the use of "Article 38" being input into the remarks field.

These steps are required to provide management with the information required to inform policy in relation to future rent limits and to comply with the Department's obligations under the Finance Acts.