

I refer to the following Notice of Motion from Cllr. Des O' Grady which is on the Agenda for the Council meeting on the 12th of October:-

“To request a written report on the current situation regarding the number of private landlords receiving extra payments from Housing Assistance Payment recipients in County Cork. This report to also focus on the number of HAP recipients ‘Topping Up’ rent by payments from their own incomes due to the difference in rent demanded and the Local Authority payment limit allowed for HAP. The number of HAP recipients ‘Topping Up’ and the areas of the County where they live to be given by Municipal District. The Report to also provide the background to the introduction of the system of permitting and recording ‘Top Up’ payments, a change from the DoECLG position of not allowing these payments at the time of the introduction of the HAP scheme.”

Response

Based on data extracted from the HAP CRM on 25.09.15, there are 110 HAP tenancies where the tenant is paying in excess of the HAP rent cap out of 669 overall HAP tenancies. The following gives a breakdown by Municipal District:

Cases where tenant is paying in excess of monthly rent limit

MD	No of Cases	Total signed	%
Ballincollig-Carrigaline	29	77	38%
Bandon-Kinsale	21	119	18%
Blarney-Macroom	1	29	3%
Cobh	12	56	21%
East Cork	23	92	25%
Fermoy	10	73	14%
Kanturk-Mallow	6	99	6%
West Cork	8	124	6%
Grand Total	110	669	16%

While securing accommodation under HAP can be challenging in areas where there is a shortage of supply, the numbers of households securing accommodation nationally under HAP continues to rise, with an average of 100 new tenancies being registered each week at present. The maximum rent limits for different household classes that apply in each local authority where HAP has been commenced are set out in regulations and are currently based on the rent supplement limits as set out by the Department of Social Protection. In prescribing these limits, household size and prevailing rents in the relevant areas are taken into consideration. The Department works closely with the Department of Social Protection and monitors data gathered by both DSP and the HAP pilot authorities in relation to the rent limits applying. As part of the HAP application process, data is gathered centrally by the Limerick hub in relation to a range of factors including any payments beyond the HAP rent caps reported by households.

As stated, the HAP rent limits are set by the Dept. of Environment, Community and Local Government and Cork Co. Council has no discretion in this regard. Cork Co. Council has now been operating the scheme since September 2014. In the early stages of the pilot there was no provision for payment of rent in excess of the rent limits. As the pilot progressed, it became clear that it was necessary to capture and gather data in conjunction with the HUB and DECLG in relation to actual rents being paid and functionality was built in to the HAP CRM to record same as this data had not been available previously for analysis.

In this context, it has been recognised recently that South Dublin County Council required additional flexibility in the operation of the HAP given the challenging rental market within its administrative area. The legislation which provides for Rent Supplement payments allows relevant Department of Social Protection staff discretion in relation to their application of the existing rent limits. Indeed, the Minister for Social Protection has directed DSP staff to utilise this discretion when justified. Regulations have recently been signed by the Minister for the Environment, Community and Local Government and the Minister for Public Expenditure and Reform making similar discretion available to South Dublin County Council staff by providing an additional 20% flexibility above the previous maximum rent limits in South Dublin, where such flexibility is necessary in order to secure a suitable dwelling for the household concerned. The Department will continue to keep this matter under active review in all HAP pilot authority areas, including Cork county.

Currently, data is being prepared for early submission to the Department seeking a review of rent limits with particular emphasis on the metropolitan area in the county where the market rental pressure is greatest.

The members will be informed of the outcome of this in due course.

ANGELA MURPHY
S/Director of Services Housing
07/10/2015