



## Rent Supplement Guidance

Circular No:	22/20	Date:	24 March 2020 Updated 26 March 2020
Title:	Rent Supplement Special Provisions Covid-19 Pandemic		
Description:	Further information for staff relating to Rent Supplement, and related matters		
For Circulation to:	All Divisional Staff administering SWA		
Issued by:	SWA Policy		
Effective Date:	With immediate effect		
Contact / Enquiries:	By e-mail to: SWAPolicy@welfare.ie		

<u>Notification of Staff</u>: Managers should ensure that all relevant staff are fully aware of and understand the contents of this circular.

**Issuing officer**: Des Henry

This note should be read in conjunction with SWA Circulars <u>12/20 Response to Covid19 - SWA Schemes</u> and <u>17/20 Further Guidance on Covid-19 and SWA Schemes</u> available on STÓR.

#### **Background and Information**

Given the current Covid-19 situation it is proposed to introduce some measures to the current Rent Supplement scheme to assist with the processing of applications received since 13 March 2020. These measures will be in place until 31 May 2020. This date may be extended, if necessary, due to the pandemic.

Cases which remain in payment beyond 31 May 2020, will be reviewed and the existing Rent Supplement rules, guidelines and means assessment will apply.

The 'C19' category code should be applied when processing these cases on ISTS.

SWA Policy Unit is working to develop a more user friendly application form for Rent Supplement to replace the existing RS1. Updates will be provided as soon as progress is made on same.

Customers applying for Rent Supplement should not be directed to the Local Authority for social housing support including Housing Assistance Payment (HAP) unless the applicant is already a HAP tenant. As per standard rent supplement eligibility rules, applicants are not required to provide a HNA (Housing Needs Assessment) nor are they are required to apply or present to the local authority for HAP. No further RS cases should be referred to Local Authorities until after the COVID-19 emergency.

Where it appears an applicant may have an entitlement on the basis of limited documentation available at short notice, e.g., bank statements proving both rental commitments and previous income from employment - a payment can be awarded. The customer's obligations to supply the necessary documentation remain in place, and officers can follow up, seeking documentation to substantiate a claim. This can occur after the decision to provide support has been made. An officer can, if necessary, raise overpayments retrospectively against a customer in respect of Rent Supplement.

The Government has approved a series of emergency measures to protect tenants who have been impacted by Covid 19 (See Press Statement from DHPLG attached).

Moratoriums on evictions and rent increases are being introduced for the duration of the Covid 19 emergency, to ensure people can stay in their homes during this period. The notice period for tenancies of less than six months is also being increased from 28 to 90 days.

<u>Notification of Staff</u>: Managers should ensure that all relevant staff are fully aware of and understand the contents of this circular.

**Issuing officer**: Des Henry

The following measures are in place until 31 May 2020

1. 29/30 Hour Rule Suspension

The standard '30 Hour' rule is being suspended with immediate effect. An applicant

must demonstrate that s/he has incurred a reduction in their normal income from

employment due to the COVID-19 pandemic.

Where an application for rent supplement has been received from a family / couple

which normally relies on two incomes to meet its housing commitments, and where

one adult has lost their job/the couple has had a significant reduction in their

combined incomes Rent Supplement can be provided under Article 38.

Where a working family does present in this manner they should be advised to apply

for the Working Family Payment as part of their application process.

2. Disregarded Special Income Provision – Appropriate SWA Rate:

The SWA Appropriate Rate for calculating the amount of 'means in excess' a

person's has to calculate their rent supplement entitlement is being increased to:

• Single €350

• Couple €700

• Child €40 for each child dependant in the household.

The 'C19' category code should be applied when processing these cases on ISTS. A

new Rent Supplement Covid Calculation Tool will be issued supporting this

calculation.

3. PRSI / Travel Expenses Disregard

The reduction of PRSI and travel expenses will not be required in calculating a

customer's 'Gross Assessable Income'. A total reduction of €100 is now to be

assumed as the combined amount for these two expense types. The Carer's

Disregard and Aged-Over-65 Disregard remain in place and are to be deducted in

line with previous guidance. .

<u>Notification of Staff</u>: Managers should ensure that all relevant staff are fully aware of and understand the contents of this circular.

It is also no longer required to deduct PRSI / Pension / Income Continuance from the

'Additional Income' calculation. This simplified additional income calculation will

remain in force during the Covid emergency. The standard 'Additional Income' rules

still apply, i.e. the person must have income from: employment, maintenance in

excess of the €95.23, Working Family Payment etc.

4. Capital Assessment

The Capital assessment is to be disregarded i.e. no means assessed against capital.

5. Six Month Working Rule Suspension

The rule which normally disqualifies those who were renting for less than six months

is to be suspended. If a person has commenced a tenancy, for more than 4 weeks,

and has been made unemployed, rent supplement can be provided.

However, the test for <u>reasonableness</u> remains in effect. The officer must be satisfied

that, in so far as was reasonable (barring the Covid 19 emergency), the person would

have been expected to meet their rental obligations from their own resources, and

they were able to pay their rent at the start of the tenancy. The relevant section in our

legislation where an officer wishes not to provide support due to the 'reasonableness

test' is Section 198 3F (b).

6. National Tenancy Sustainment Framework

The Department's case-by-case flexible pricing strategy and the use of Article 38

under the National Tenancy Sustainment Framework flexibility is to be extended.

Designated Persons will have discretion to pay RS subject to the max rent limit plus

50% (no need for AP approval).

The level of rent requiring support will not be factor for the vast majority of cases. In

line with National Tenancy Sustainment Framework, an officer's local knowledge of

their respective rental market and the availability of alternative supply in the area will

remain a key consideration in the decision making process.

Where a case is to be refused due to the amount of rent sought, the case should be

discussed with Divisional management prior to the final decision being

communicated to the customer.

7. Proof of Residency / HRC

Where a tenancy agreement (and other standard documentation) cannot be supplied

at the point of application, the customer's rental payments and employment history

should be vouched primarily from the customer's bank statements.

Officers retain the power to suspend a customer's claim where they fail to

substantiate their rental obligations and/or the change in their financial

circumstances.

8. Landlord Tax Reference Number

Where a landlord tax reference number cannot be supplied at the point of application,

e.g., the landlord has not completed part 11 of the RS1 form - this should not delay

Rent Supplement being awarded.

Officers are reminded that under 198(4A) and 198(4B) of SWA Consolidation Act that

they have the use of 'undue hardship' to provide rent supplement support when

landlord details are not forthcoming. It is expected that prior to contacting the landlord

directly the customer will be provided additional time to obtain the relevant landlord

details. Officers can contact the landlord directly under 198 (4B) (b) stating that:

(I) the payment of a supplement under this section shall cease on a specified date

unless the information is provided on or before the specified date, and

(II) where rent supplement has been paid in respect of the residence, failure to

provide requested information is an offence.

For cases that are 'self-isolating' the landlord TRN will not be required, i.e., a case for

support of less than twelve weeks, where the customer didn't initially supply the

landlord's TRN, does not need follow-up.

9. Employer Details

Where the required employer details cannot be supplied at the point of application,

e.g., the employer has not completed part 3 of the RS1 form; this should not delay

Rent Supplement being awarded.

### 10. Timing of Claims and Award

There are two particular types of customer which will require tailored support:

Self-Isolation - Where a customer makes a claim that relates to a period
of isolation, this payment can be to be processed and paid immediately.
The customer will be expected to provide bank statements showing that
their income from employment was temporarily reduced; documentation
can, where necessary be provided / requested after the claim has been
awarded / closed.

When an 'isolation claim' has been made it will generally be of 2/3 weeks duration, however, where members of the household fall sick in turn, the period of isolation may be extended with further payments necessary to ensure the customer's rental commitments continue to be met.

Structurally Laid-Off Customers - Where a customer has been laid off, with no immediate return to work, the standard Best Practice Manual payment criteria apply. So, for example if a customer was paid every four weeks and have just received their 4-weekly salary, their first rent supplement payment support would be made in four weeks' time, i.e., Rent Supplement remains payable in arrears for this cohort.

### 11. Frequency of Rent Reviews / Home Visits

With the expected number of new cases to increase substantially over the coming weeks the six monthly review period for Rent Supplement claims per the Best Practice Manual is suspended until further notice. It is envisaged that individual Divisions can reinstate the standard review frequency for rent supplement claims once local resources permit.

All home visits to verify rent supplement tenancies are to be suspended with immediate effect.



Thursday, March 19th 2020

# Government approves series of emergency measures to protect tenants

The Government has today (Thursday 19<sup>th</sup> March) approved a series of emergency measures to protect tenants who have been impacted by Covid 19. Moratoriums on evictions and rent increases are being introduced for the duration of the Covid 19 emergency, to ensure people can stay in their homes during this period. The notice period for tenancies of less than six months is also being increased from 28 to 90 days.

The Minister for Housing, Planning and Local Government, Eoghan Murphy TD, intends to publish legislation next week to amend the Residential Tenancies Act 2004-2019 to give effect to these changes.

The emergency measures being announced today complement those announced by the 5 main retail banks yesterday, in relation to the flexibility – such as 3 month mortgage breaks – which will be offered to those with buy-to-let mortgages whose tenants have been impacted by the virus. It is the Government's expectation that landlords will pass that flexibility on their tenants. Tenants are encouraged to engage with their landlords as quickly as possible if they are facing difficulties.

While tenants will be expected to pay rent during this period, income supports and Rent Supplement is available to those struggling to do so. These supports are provided by the Department of Employment Affairs and Social Protection. Any rent arrears built up will be payable, but landlords have been asked to show forbearance and reach local arrangements in such circumstances.

Speaking today Minister Murphy said:

"I know that many people who are renting are worried about their living situation. I want to assure them that over the emergency period they will be able to remain in their homes.

<u>Notification of Staff</u>: Managers should ensure that all relevant staff are fully aware of and understand the contents of this circular.

Issuing officer: Des Henry

Today the government approved new measures to give the strongest possible protection to all renters at this time of national emergency. A moratorium on notices to leave rental accommodation is being introduced as is a moratorium on rent increases so that people will be safe in their homes during this period.

"I am aware that some renters will find it very difficult to pay the rent due to the impact that COVID 19 is having on businesses and jobs. There are supports in place for people through the Rent Supplement. Yesterday's announcement of forbearance by the banks, which I welcome, will also assist tenants in seeking support from their landlords. Early engagement by tenants in difficulty, both with their landlords and with Social Protection is key. I would like to thank the landlord and tenant organisations for their engagement and support in these measures. Notwithstanding this it is only prudent to put these temporary measures in to law, which I intend to do with the support of the Oireachtas next week."

Today's announcement follows intensive engagement in recent days by Minister Murphy with both landlords and tenants organisations, as well as charities and NGOs in the housing sector. The changes being drafted will be temporary in nature, and will last for the duration of the COVID 19 crisis, after which point residential tenancies will revert to the current legislative arrangements.

#### **ENDS**

Tenancy notices of termination for Part 4 tenancies will not have effect during the period of the emergency. This applies to all six grounds currently specified for the termination of a Part 4 tenancy, and applies to existing notices of termination already issued, and new notices that might issue during the emergency period. Tenants will still have an obligation to pay rent where they can, but where a tenant ceases to pay rent without demonstrating difficulty due to the current emergency, actions in tandem with the Residential Tenancies Board (RTB) can be taken.