
Topping up - the Cost of HAP

2019

A Survey on the Housing Assistance Payment



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Threshold
Solving housing problems,
preventing homelessness

Introduction:

Threshold is a national housing charity, with regional advice centres in Dublin, Cork and Galway, providing frontline advocacy, advice and support services to people with housing problems throughout Ireland. Threshold took 321 calls a day, in 2018, from tenants in the private rented sector (PRS) who were experiencing difficulties in their tenancy. These difficulties included poor standards, invalid rent increases, notices of termination and the Housing Assistance Payment (HAP) related queries. We draw on the experiences of our clients to contribute to meaningful policy change at national level to create a PRS that is viable, sustainable, secure and affordable for tenants.

Context:

Prior to 2014, rent supplement was the only financial support available to households renting directly from a landlord in the PRS. These households usually relied entirely or heavily on social welfare. There were a number of issues with rent supplement:

- The non-payment of rent
- Tenants were caught in a poverty trap as they could not work
- Low housing standards
- Payment of unaffordable rent “top-ups” to landlords
- Landlords distrusted scheme meaning many rent supplement recipients struggled to find landlords to accept the payment.

HAP was designed to address these inadequacies. It was piloted in 2014 and it is now operational across the country. Long term recipients of rent supplement are being directed to transfer to HAP. HAP is operated through the Local Authorities and is administered by a central office; the HAP Shared Services Centre.

To be eligible for HAP one must be accepted on the social housing list. Once this step has been completed the applicant must then source a property in the private rented market, the rent on the property must be within the limit set for their household size for that local authority area. The landlord must also be willing to accept and be eligible to receive HAP ie tax compliant.

When the applicant has secured a property, their social housing need is deemed to be met and they are removed from the social housing waiting list. The tenant can opt to put their name on the Local Authority housing transfer list and wait to be allocated a property by the Local Authority. The benefits of the HAP Scheme over rent supplement have been identified as:

- The rent is paid directly to landlord by the Local Authority.
- The Environmental Health Officer will call to inspect tenancy within the first 6 months to ensure it meets minimum standards.
- Tenants are able to work without it affecting their rent payments to landlord.
- There should be more of a buy in from landlords due to security of rent.
- The contract is between tenant and landlord.
- Disputes between tenant and landlord are resolved by Rent Tenancies Board (RTB).
- Tenants rent contributions are deducted at source.
- “Top-Ups” are capped – tenant cannot pay more than 30% of income on rent.

There are however, some drawbacks or limitations to HAP as a form of social housing support.

Tenants in the PRS have poor security of tenure in comparison to Local Authority tenants as a landlord can still end a tenancy if they decide to sell the property, if they or a family member need to move in, they plan to undertake substantial refurbishment or renovation or decide to change the use of the property.

Deposits are not paid by HAP; rent is paid in arrears directly to the landlord from the date the application is processed not the date the tenancy begins. While tenants are charged differential rent in the same way as Local Authority tenants they are permitted to pay a capped “top up” to the landlord. The outcome is that HAP tenants are at a financial disadvantage to their counterparts in Local Authority homes or those provided by an AHB. A comparison between potential rents paid by HAP¹ tenants and social housing tenants is illustrated below.

¹ Based on average rents listed in the Daft Rental Report

Comparison between LA and HAP Tenants Rent Payments		
1 bed/Single Person on Social Welfare €198 a week		
Location	Local Authority Tenant	HAP Tenant
Galway City Council	Differential Rent: €30	Differential Rent: €30
		Top Up: €121.15
	Total Rent: €30	Total Rent: €151.15
3 bed/ Couple with Children on Social Welfare €393 a week		
Mayo County Council	Differential Rent: €62.88	Differential Rent: €62.88
		Top Up: €42.92
	Total Rent: €62.88	Total Rent: €105.80
3 bed/ Couple with Children on Social Welfare €393 a week		
Limerick City Council	Differential Rent: €69.50	Differential Rent: €69.50
		Top Up: €100
	Total Rent: €69.50	Total Rent: €169.50

The tenant is required to remain in the HAP property for a minimum of two years. If a tenant leaves a HAP property before the end of the 2 years they will lose entitlement to any form of social housing support for a period of time, including HAP and traditional social housing and potentially rent supplement. This means if a tenant finds a property for better value in an area they would rather live in they cannot simply move. They are only permitted to do so with the permission of the Local Authority. The Local Authority has discretion in this area; however, permission is usually only granted in exceptional circumstances such as an increase in family size or the need to move as a result of a change in employment. There is no list of exceptional circumstances, the tenant must make their case to the Local Authority and wait to be told if they have permission to move.

There were 43,732 HAP tenancies in Ireland by quarter 4 2018². €276.6 million was spent on HAP tenancies in 2018³. This figure will continue to rise, as the Government aims to create an additional 16,700 HAP tenancies in 2019, a further 13,000 in 2020 and another 10,000 in 2021 as part of the

² Overall Social Housing Provision, <https://www.housing.gov.ie/housing/social-housing/social-and-affordable/overall-social-housing-provision>, (accessed 08/03/19)

Rebuilding Ireland targets. This will almost double the number of HAP tenancies over a 3 year period. 24% of all registered tenancies with the RTB will be HAP properties by 2021⁴.

The number of households living in the PRS is growing as home ownership declines and there is little increase in traditional forms of social housing. This is putting increased pressure on the PRS to supply housing for more people for longer. At the same time the PRS is contracting as landlords sell to cash in on their investment. Schemes such as HAP and the lack of alternative housing options render the PRS the dominant supplier of social housing. The PRS is not fit for that purpose of social housing provision as it is lacking in capacity, affordability, security and standards.

Rationale:

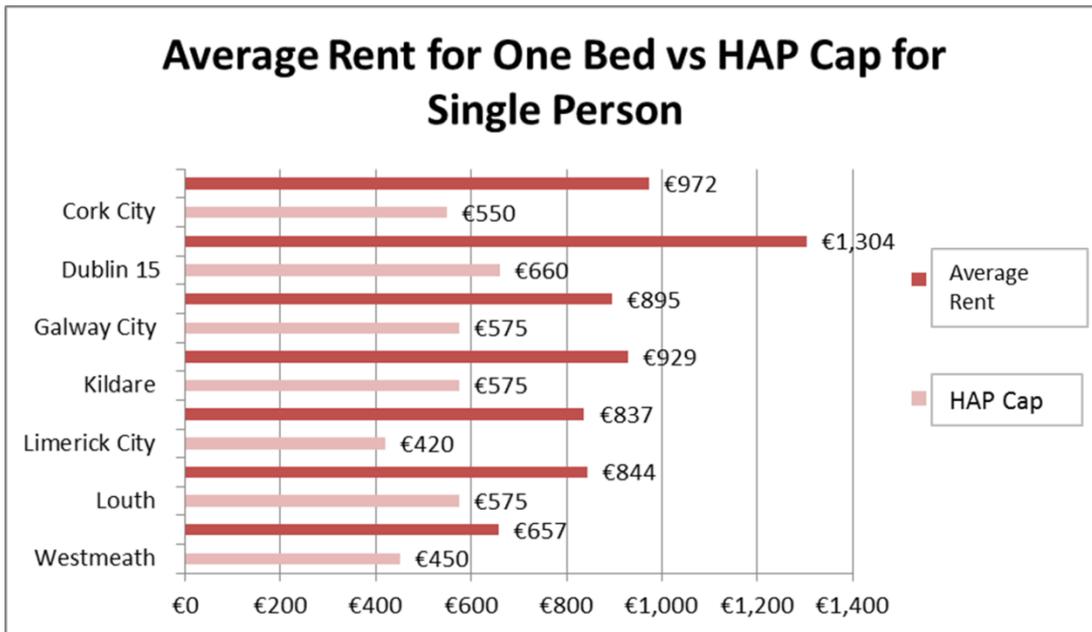
It was common practice for tenants in receipt of rent supplement to pay “tops ups” to landlords as rents were increased beyond the rent supplement caps. Paying these “top-ups” could push households into severe financial distress, with large portions of their income going toward their rent. As a response to this the Interim Tenancy Sustainment Protocol (ITSP), operated by Threshold, was agreed between the four Dublin Local Authorities and the Department of Employment Affairs and Social Protection (DEASP) to increase the rent supplement payments when a household is assessed by Threshold to be at risk of homelessness due to a rent increase. Since 2014, 3,230 households have needed this uplift so that they could stay in their home⁵.

When the HAP was introduced it was hoped that it would remove the need for such “top-ups” as HAP allows for a 20% discretionary uplift from the Local Authority. A further payment by the tenant is permitted once, in the Local Authority’s assessment, the household can afford it and the total expenditure on rent does not exceed 30% of the tenant’s net income. Anecdotal evidence collected by Threshold advisors indicates that unsanctioned “tops ups” and unaffordable “top ups” are becoming an increasing common feature for HAP tenants. Average rents across the country now far surpass the HAP caps, which were set in July 2016. The table below shows the shortfall between the HAP cap for a single person household and the corresponding average rents for a one bed apartment in the respective area.

³ “Almost €700 million paid to private landlords in rent subsidies last year”. The Journal, 24th February 2019, <https://www.thejournal.ie/housing-private-payments-4507508-Feb2019/> (accessed 25th February 2019)

⁴ Based on Q3 2018 figure of 339,117 registered tenancies with the RTB https://onestopshop.rtb.ie/images/uploads/Registration/Reg_Q3_2018.pdf (accessed 14th March 2019)

⁵ Operational in Dublin, Kildare, Meath and Wicklow



Tenants who are still in receipt of rent supplement as a support for their long term housing need are being directed to transition to HAP. This is causing distress and difficult for those availing of the ITSP uplift. They have no guarantee of a higher HAP payment or that HAP will authorise a payment to the landlord as the rent is over the caps. These tenants may find themselves back in a situation of paying unaffordable “top-ups” to keep their home and avoid homelessness.

Aims and Objectives:

With the information collected in this survey, Threshold aims to make appropriate submissions and proposals to government to ensure tenants are protected from unaffordable, unsustainable “top ups” as a result of rising rents, identify elements of HAP which are effective and identify areas for improvement.

To achieve this aim the objectives are:

1. Determine to what extent HAP tenants are paying “top-ups” to their landlords and the impact of this.
2. Determine the satisfaction or dissatisfaction levels with HAP and the reasons for these

Methodology:

A telephone survey was undertaken by Threshold over 5 days between January and February 2019. Potential respondents were identified via the Threshold database.

Respondents were deemed ineligible to participate if they were not eligible for HAP or owned their own home. Tenants who were in receipt of HAP or eligible for HAP but not in receipt were deemed eligible to participate in the survey.

The survey consisted of questions on the respondents' demographic profile, cost of rent, HAP contributions, "top-ups" paid to the landlord, satisfaction with HAP and Local Authority inspections. Respondents were also asked if they would like a Threshold advisor to contact them to provide support with tenancy issues they were experiencing at the time of the survey. 23 of the 116 eligible respondents were eligible for HAP but not in receipt. These were asked some additional questions on why they were not yet receiving HAP. A summary of findings and recommendations are made in the conclusion.

The clients' real names are not used in the vignettes used to illustrate the clients' experiences of HAP.

Tenant Profile:

Age:

- 3% of respondents were aged between 18 and 24 years of age
- 41.5% were between 25 and 34 years of age
- 31.5% were between 35 and 44 years of age
- 15% were between 45 and 54 years of age
- 4.5% were between 55 and 64 years of age
- 4.5% were over the age of 65

This breakdown by age is similar to the age profile of those renting in the PRS captured during Census 2016.

Primary Source of Income:

- 34% were in receipt of a social welfare payment
- 22% of respondents were in full-time work
- 22% were in receipt of a pension or Disability Allowance
- 16% were in part-time work
- 2% were self-employed
- 2% declined to answer
- 1% were receiving a student grant

Household:

- 33% of respondents did not have children
- 29% had 1 child
- 23% had 2 children
- 10% had 3 children
- 4% had 4 children

This equates to 146 children in total.

Findings:

The findings are presented in two sections, respondents who are “In Receipt of HAP” and those who are “Eligible and Not in Receipt of HAP”. The purpose of this breakdown is to draw out any differences in the clients’ experiences of HAP before and after receiving it, highlight the barriers to accessing HAP, determine the impact of “top-ups” and illustrate the impact the ability to access HAP has on a household.

Tenants in Receipt of HAP

“Top-ups”

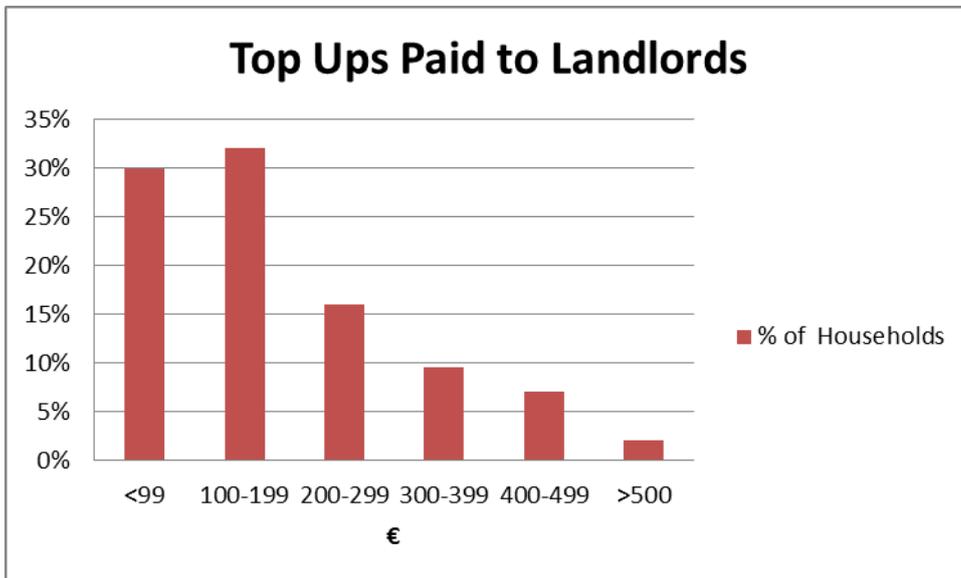
Threshold highlighted the issue of “top-ups” under the rent supplement scheme and despite the many merits of HAP over rent supplement, “top-ups” have now become the “norm” for HAP recipients. Almost half, 48% of respondents in receipt of HAP, pay a “top up” directly to the landlord.

The amounts payable range from €20 to €575 a month. The average top-up payable was €177. This is in addition to the rent contribution they pay directly to the Local Authority which averages €223 a month.

- One tenant was paying a Top Up of €575 a month
- Three were paying between €400 and €499
- Four were paying between €300 and €399
- Seven were paying between €200 and €299
- Fourteen were paying between €100 and €199
- Thirteen were paying €99 or less

A number of respondents did not wish to disclose the amount.

“Top-ups” of €300 or more were paid by households living in or near urban areas. Tenants living outside urban areas paid top-ups up to €299. Working households, whether part-time or full-time, as well as those in receipt of social welfare were paying “top-ups” across the range.

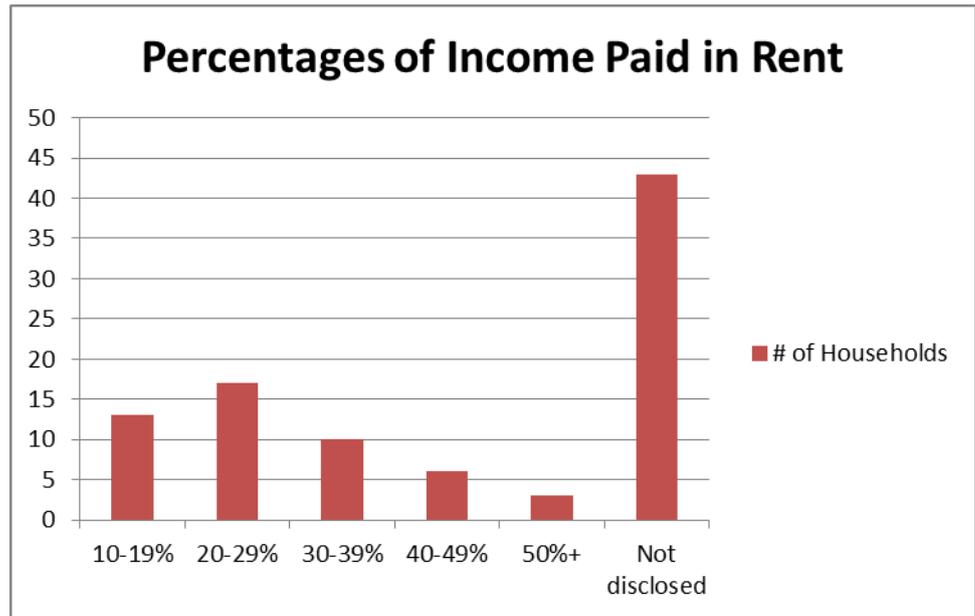


“Jimmy, Eileen and their three children are renting their home in Galway. Their primary source of income is from full-time work. The HAP cap for a family of their size is €900 in Galway. The rent on their home is €1,400, which is at the affordable end of the market in Galway City. They pay €387 rent to the Local Authority and €320 directly to the landlord. This is despite the Local Authority paying a discretionary 20% uplift in rent to the landlord. This discretionary uplift is vital for the family to afford the daily essentials. Without it they would pay €500 to the landlord. €500 a month is a considerable amount of money to any household and particularly one in which there are school going children.”

This family’s situation indicate the unaffordability of the private rental market, the unsuitability of the rental market to provide social housing, that HAP caps are out of step with the market and the flexibility of the 20% is vital for a household to stay going.

(Un)Affordability

- Of those who were happy to disclose the amounts 20% were paying more than 30% of their net income on rent.
- 10% were paying more than 40% of their net income on rent.



45% of those paying a top up stated they struggle to pay other bills as a result of the “top up”. The majority of respondents struggled to pay utility bills (electricity and heat), buy groceries and cover the childcare and school costs. Almost 80% of tenants cited utility bills as a major concern. As it is estimated more than 55% of the private rented dwellings are likely to have BERs between D and G, the cost of heating already puts considerable pressure on tenants in the PRS compared to those in owner occupation or Local Authority Housing.

When asked to expand many referred to difficulty in being able to afford the simple “*day to day expenses*” and that some weeks or months are easier than others.

Rent Increases

18% of those in receipt of HAP received an upward rent review in the 12 months preceding the survey. 41% of these increases were over 4%. 23% of the rent increase exceeded 10%.

One tenant expressed the concern that if she contacted HAP to seek support with the rent increase that the HAP payment would stop and she would lose her home. This is despite the fact that she has had an overall positive experience engaging with the staff of the HAP office, describing them as “*lovely and kind*”. This indicates the considerable level of insecurity experienced by tenants in receipt of HAP and the precariousness of their housing situation. This has not been the consistent experience however, as some tenants received assistance they needed from HAP.

“Miriam was having trouble paying the rent “top-up”. The rent was above what HAP was paying but when she contacted HAP they agreed to pay the discretionary 20% which has been an enormous help”.

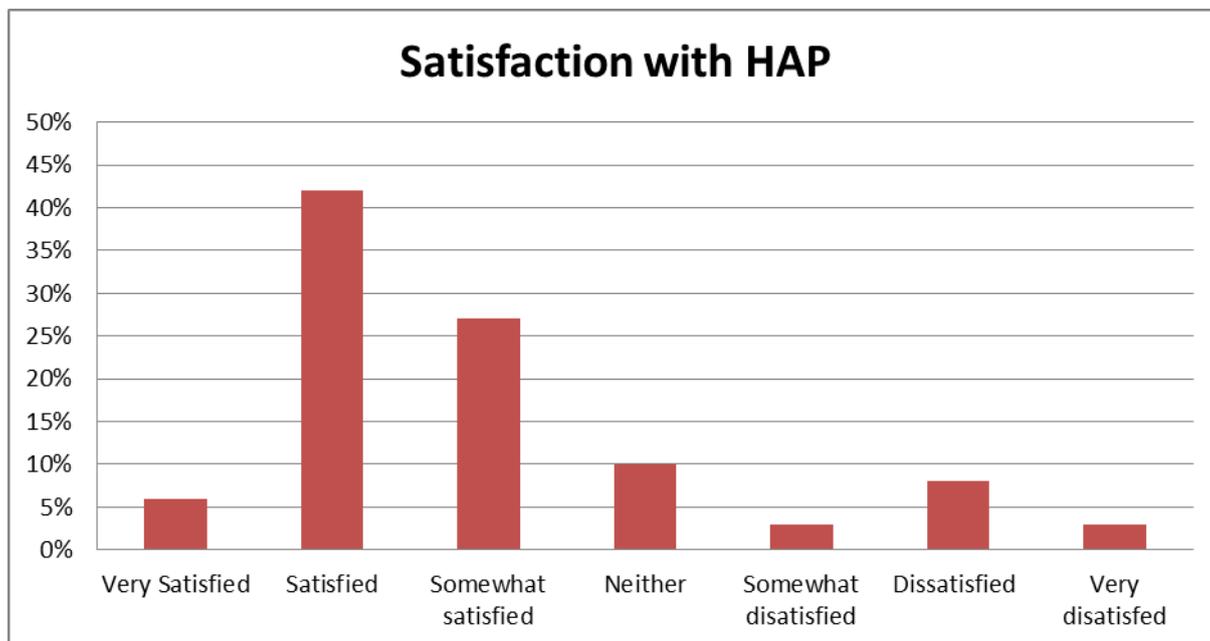
The remainder received an upward rent review of less than 4%. These are all living in areas designated RPZs. In some instances HAP paid the increase when contacted by the tenant, but not always. Further research is required to explore the reasons for and results of these differing outcomes.

Satisfaction/Dissatisfaction with HAP

The majority (75%) of tenants in receipt of HAP were satisfied with HAP. When asked what they like about HAP the majority stated that it allows them to pay the rent, that without it they do not know how they would pay rent and afford other expenses. Some went as far to say they believe they would have been homeless if they had not been able to rent a property with HAP. Others were previously homeless and were able to secure a home using HAP.

“Joanne found it difficult to pay day to day bills such as groceries, child expenses and electricity. She said she is very grateful to be on HAP as it was really difficult to pay the full rent”

“Jimmy, a middle aged man living alone, stated that HAP is a lifesaver, without it he believes he would have been homeless”.



Other element that clients like is that the rent payment comes directly out of their money each week and they can look for work without the worry of being unable to afford the rent. 20% of those in receipt of HAP commented that they found the staff in the local and Shared Services HAP offices helpful and that the application process was smooth.

“Elaine, a single mother of 1, said without HAP she wouldn't be able to afford to go back to college.”

“Thomas is trying to find work. He likes that he will be able to work and receive HAP.”

“Before being accepted on HAP Magdalena was on social welfare and had an extremely hard time paying bills. Now she has a full time job, HAP continues to assist with some of her rent; the day to day expenses are much easier to pay and her quality of life has improved.”

When asked to expand on their general experience of HAP many tenants who are overall satisfied with HAP commented that the payment in arrears is problematic. Some advised they struggled to pay the first months' rent and deposit upfront. Some individual tenants described situations in which the payment to the landlord was stopped due to miscommunication or a delay in banking processes, resulting in a notice of termination from the landlord, extreme stress for the tenants and difficult in rectifying the problem.

“Abi, a working full time mother of 1, does not like that HAP pays in arrears. Even though the landlord knew the money would be paid this way he still wanted to be paid in advance. This has caused a lot of stress for Abi. She does not feel secure in her home as the landlord threatened to evict her because he deems the rent to be behind”.

“There was a problem with Alex's direct debit, which he was trying to rectify and the HAP office was aware of this. Despite this HAP sent out letters each time the payment was late. Then landlord got a letter from the HAP office saying the rent payments had been suspended. The landlord saw this as breach of contract and wanted to terminate the tenancy. Fortunately Alex was able to resolve the issue. He feels though it could have been handled better by the HAP office as he was at serious risk of losing his home”.

Only 14% of tenants in receipt said they were dissatisfied with HAP and 10% were neither satisfied nor dissatisfied. The most common reasons cited for this dissatisfaction with HAP were difficulty in finding a place within the cap and finding a landlord willing to accept HAP. The second most common reason was difficulty in getting paperwork back from the landlord or agent. These reasons for dissatisfaction were

also cited by the cohort who described themselves as satisfied with HAP, when they were asked if there was anything about HAP they did not like.

“Gemma is aware that a landlord cannot discriminate against HAP recipients but it took the almost one and a half years to find a place within the HAP cap and with a landlord who would accept HAP.”

When asked to expand on their reasons for dissatisfaction many tenants equated the difficulty in getting the paperwork back from the landlord or the agent with an unwillingness to accept HAP. All but 3 of the total respondents were aware that a landlord would not discriminate against a tenant in receipt of HAP.

A small proportion expressed difficulty in contacting the local HAP or Shared Services office. Those who were dissatisfied with the HAP office expanded on the issues to describe scenarios of inconsistent decision making, miscommunication and interrupted payments as a result.

“In Marie’s previous HAP property she received the discretionary 20% uplift. Unfortunately, the house was repossessed by the banks and Marie had to move out. She went on to find a new HAP property, but the rent was above the HAP limit. HAP refused to pay the 20% discretionary uplift on this property. Marie felt unfairly treated and is struggling to pay bills.”

Minimum Standards and Inspections

One of the claimed advantages of Hap is that it will improve standards as rent will not be paid on HAP properties that do not meet minimum standards. Inspections are to be carried out in the first 6 months of the tenancy. Threshold advisors have heard from tenants that these inspections often don’t happen until much further into the tenancy, when the landlord is directed to make repairs the work is often not undertaken and the Local Authority do not follow up. This experience was reflected by the respondents.

Only 40% of tenants have had their home inspected by the Local Authority. 23% of these tenants stated that despite these inspections the landlord has not yet fixed the issues. In 2 instances these inspections occurred over a year ago and there has been no follow up by the Local Authority.

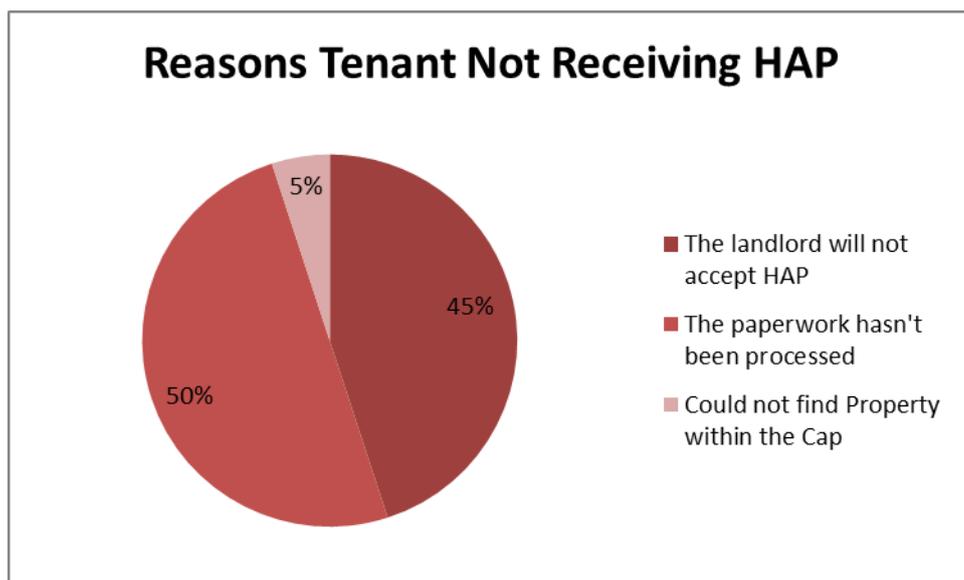
“Stephen, a young man living alone, feels that the Local Authority could have put more pressure on the landlord to fix issues after an inspection. He contacted the LA as his home had no heating. The inspection was carried out and the landlord was given 3 months to make the necessary repairs. The repairs have not been carried out and Stephen lived without heating throughout the winter.”

17% of those waiting on an inspection stated they have requested inspections from the Local Authority due to issues in the home. These inspections have not yet been carried out despite the numerous requests over the course of many months. Some tenants have been in their home one year at least and still no inspection has been carried out. One tenant described mould in the house which was causing issues for the children.

Tenants Not in Receipt of HAP

Accessing HAP

20% of respondents are eligible for HAP but not yet in receipt of it. 50% of these have started the application process but it is not yet complete. A proportion of these stated that the landlord/agent has yet to return their part of the paperwork and this is delaying the process. 45% stated the landlord refuses to accept HAP. One tenant has lodged a complaint for the landlord’s refusal to accept HAP.



Surprisingly few respondents not in receipt of HAP named difficulty in finding a property within the cap as a barrier to securing housing. Given the degree to which households are paying “top-ups” and the awareness that rents are at an all-time high one could surmise that prospective tenants have resigned themselves to the fact they will be paying “top-ups” and are willing to do so to secure a home. It was only those who are already receiving HAP who reflected on the difficulty in finding somewhere within the cap. It did however, feature as one of the main reasons for dissatisfaction with HAP among this cohort.

The refusal of a landlord or agent to accept HAP breaches equality legislation. The Equal Status Acts “prohibit discrimination in the provision of accommodation services against people who are in receipt of rent supplement, housing assistance, or social welfare Payments”. Tenants or prospective tenants can

lodge a complaint with the Workers Relation Commission (WRC) to challenge this discrimination. Between 2017 and 2018 the WRC received 172 complaints from tenants on foot of a landlord's refusal to accept HAP. Of the cases that the WRC decided on, 65% ruled in favour of the complainant. Threshold are ben called on more and more by tenants to support them with taking such cases to the WRC to help them keep their home.

Refusal to accept HAP has a tangible debilitating impact on a household's quality of life and finances. One family of three children are paying rent of €1,500 a month since January 2018. The landlord has not made an outright refusal to accept HAP but has not provided them with the necessary documentation to allow them to apply. Again this is a scenario seen by our advisors whereby the landlord does not state their refusal to accept HAP but rather does not return the appropriate paperwork to the tenant. Often the tenant falls into arrears and is then issued a Notice of Termination for same. Threshold can support tenants in such situations to get the paperwork returned the rent payment made. It may require lodging a complaint with the WRC for discrimination.

“Rosa and Tomas are paying over 50% of their income in rent, and it is barely covering the rent. They have very little money for day to day expenses. After a year the landlord finally agreed to accept HAP. The family now feel they can breathe.”

One tenant reported that the landlord was not tax compliant and so cannot be approved for HAP. This is an issue that is increasingly making itself known to Threshold advisors. In some of the cases brought to us the landlord may not be tax compliant but they do have agreements in place with the Revenue to rectify this issue. This however, is not sufficient for HAP to be approved. In scenarios whereby the tenants is already in the property on rent supplement and cannot transition to HAP due to the landlords personal financial circumstances, they need to be permitted to remain on rent supplement as otherwise they could lose their home.

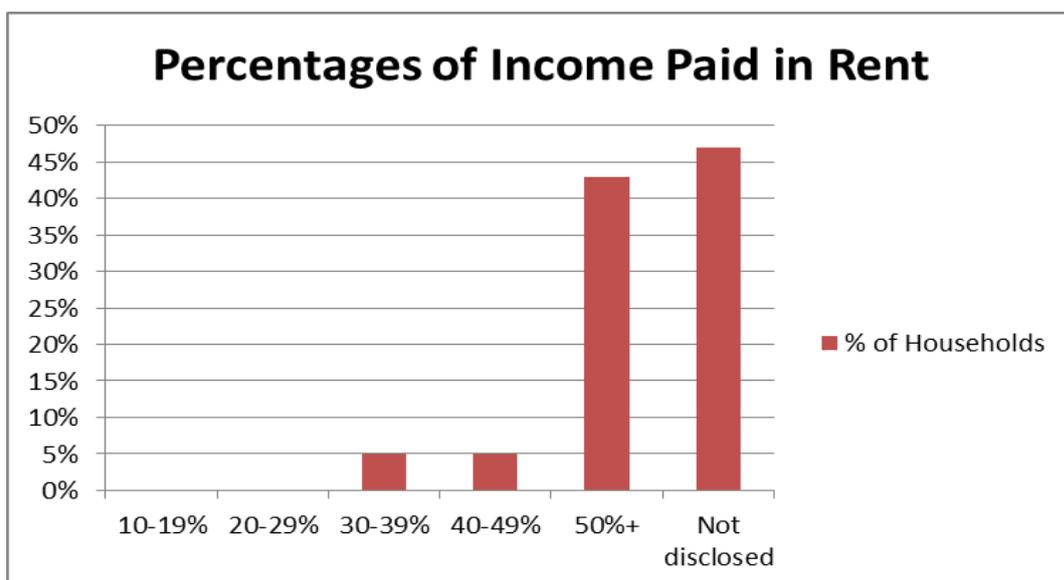
The remainder of those surveyed had not yet sourced accommodation; 1 is a family residing in emergency accommodation, 1 is a family couch surfing and 2 still live with their family of origin. Each of these stated that they have not found a landlord willing to take HAP and that it is difficult to find somewhere within the HAP cap.

“James, his partner and 4 children are living in emergency accommodation. He said it is very difficult to find a property and that he never hears anything back once HAP is mentioned.”

“Tricia is looking for a place to rent but when she mentions HAP, she never hears from landlords or agents again.”

(Un)Affordability

Just over half (52%) of those not in receipt are paying more than 30% of their take home pay in rent. 43% are paying more than 50% of their take home pay in rent. This included people in full-time work, in receipt of social



welfare payments, with and without children. The rents range from €520 to €1,550 a month.

One respondent is a single person renting in Dublin 9. The rent on his property is €790. The HAP cap for a single person in Dublin City Council area is €660. If the landlord agrees to take HAP the application may still be denied as the rent is outside the HAP cap unless the 20% discretionary uplift is applied.

Unfortunately, Threshold advisors are finding that not all Local Authority HAP offices are making this known to tenants or offering to apply the 20% uplift. This result is tenants miss out on rental opportunities or are forced to pay unaffordable “top-ups”. Such uncertainty is a source of stress and concern for tenants, leaving them living with great insecurity and fear.

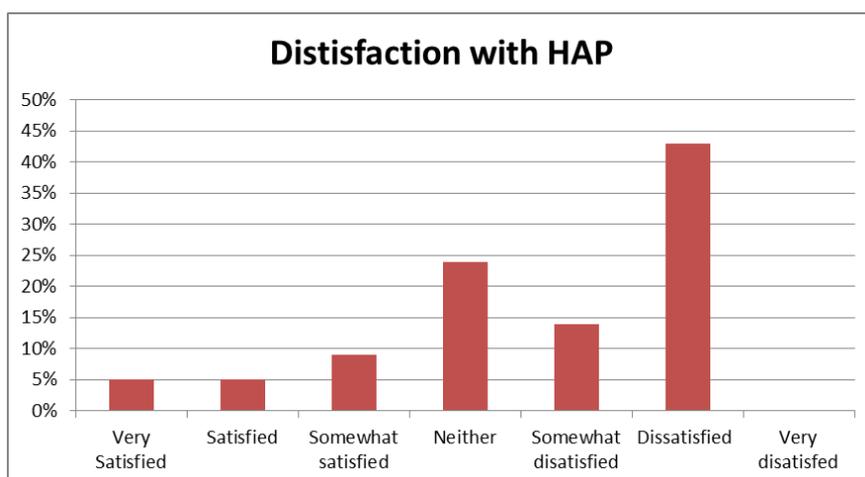
The following scenario highlights the value and importance of this 20% uplift. A family with two children is paying rent of €1,550 a month. The HAP cap for their area, Fingal Co Co, is €1,275 a month. This means a top up of €275 a month will be required. If paid, the 20% uplift by HAP will amount to €255, leaving the family with only €20 to pay to the landlord. €255 is a considerable amount of money in a 2 child family; it roughly equals 2 weeks’ worth of groceries or the bulk of an electricity or heating bill⁶. The 20% discretionary uplift is a vital element of HAP as it has the potential to make the difference between a household being at risk of poverty or living in poverty or entering homelessness.

⁶ Minimum Essential Standards of Living Update Report 2018

Satisfaction/Dissatisfaction with HAP

57% of those eligible and not in receipt of HAP expressed dissatisfaction with HAP. The primary reasons for this were:

- A delay by the landlord or agent in returning or signing the paperwork
- The landlord refusing to accept HAP
- A challenge in finding a place within the HAP caps.



“Finding a place with HAP is causing Melissa a lot of stress as she cannot afford the rent without it, but no landlord will accept it. This is always on her mind and she feels like it is affecting her health. Melissa would like some more help from the HAP office to find somewhere”

One respondent added that the process to be approved was too long. In their case they were not yet on the housing list when they found themselves requiring the support of HAP. They first had to apply and be approved for social housing which took 12 weeks⁷. This family of three children are currently staying with extended family while waiting for their application to be processed. Once processed they can then set about sourcing a HAP property and this could take some time. When they do secure a property it could take anywhere between 4 to 12 weeks for the HAP application to be processed and the rent paid. While there is a high satisfaction level with HAP once it is being paid, the process to secure HAP is lengthy and puts households at increased risk of homelessness and poverty.

Conclusion:

Almost half (48%) of those in receipt of HAP are paying a “top up” to their landlord. 20% are spending over 30% of their income on rent, 10% are paying more than 40%. They are struggling to pay utility bills, meet childcare costs and afford groceries. Given that the LAs operate an affordability assessment, using the 30% of income payable on rent as a rule of thumb, investigation is required to determine how one fifth of HAP recipients are paying over 30% of their income on rent.

⁷ This is the maximum amount of time the council is permitted to carry out a housing needs assessment.

There was a large level of satisfaction with HAP, as without it many stated they may not be able to afford rent. The level of relief felt by the participants at being able to afford the rent came across strongly in the survey. There was a real sense that these tenants in receipt of HAP felt they were able to breathe again. This in contrast to the struggles faced by those not in receipt of HAP. This points to the unaffordability and precariousness of the PRS as a form of social housing support and the inability of HAP to reflect the dynamics of the PRS.

The discretionary 20% uplift that can be paid by HAP is vital for many of the households to meet the demands on their incomes and keep their home. The importance of this 20% uplift cannot be underestimated. It is vital that all Local Authorities ensure this is paid where a household is in need of it.

While the majority of respondents found the staff of the HAP offices helpful, some issues which caused great stress and put tenancies at risk could have been avoided easily. Greater consistency and transparency in decision making and greater efforts to communicate with a tenant if a rental payment has stopped would all improve the HAP system.

The length of time to process applications, the payment of rent from the date of the application been processed as opposed the date the tenancy commenced, the payment of rent in arrears, the non-payment of a deposit all need to be addressed. The payment of a deposit and rent upfront are intrinsic elements of the PRS. Without a rent payment landlords are within their rights to issue notice for rent arrears. HAP needs to be designed to work in harmony with the PRS.

The greatest level of dissatisfaction by all respondents was in the difficulty to find a landlord willing to accept HAP. The impact of a landlord's refusal to accept HAP has serious consequences for a tenant; they may find themselves in homeless accommodation on a long term basis, couch surfing, unable to afford the basics for them and their family and possibly living in poverty. This refusal to accept HAP, which is a contravention of equality legislation, needs to be investigated further to determine the reasons for such refusal. Only with this information can effective solutions be devised. Landlords and agents may need to be educated on this matter and tenants encouraged and empowered to challenge such refusals.

The lack of properties within the HAP limits was the other area of greatest dissatisfaction among tenants. The unaffordability and shortage of properties in the PRS is well known and documented. Threshold has called for an increase in HAP payments to remain in step with the PRS. The HAP rates

need to be flexible, responding to a difficult and challenging PRS, so as to meet the needs of the tenant and prevent homelessness. A protocol similar to the ITSP is required for HAP as rents continue to rise. The HAP caps must be reviewed on a regular basis; they were last reviewed in Q2 2016. Alternatively, we recommend the undertaking of a cost-benefit analysis to determine the impact of removing HAP caps entirely.

More needs to be done to address the poor standards in the PRS. Threshold has long campaigned for a more robust system to ensure standards are met by landlords. As it is the most vulnerable and those often with the least social and financial capital who live in substandard accommodation there needs to be a practical approach to improving standards by government and local authority. Including the inspection element of HAP was a design feature to carry this out. More is required in this area however.

Ultimately, to address these difficulties there needs to be a broader choice of housing options available to people. 66% of all social housing provision in 2018 was sourced in the PRS via HAP. The number of people buying their own home is decreasing and traditional social housing provision remains low. As a result, the PRS is under increasing pressure to provide housing to a growing percentage of the population for longer. The cost to the state is significant and a poor use of resources. Alternatives such as cost rental, “real” affordable purchase and an increase in LA/AHB build, not acquisition, will alleviate this pressure. These are vital ingredients to address the issue of housing supply and render the PRS more affordable.

Finally, HAP was first piloted in 2014 as the Homeless HAP scheme in the Dublin region. It has since been rolled out nationwide. We recommend that a review of HAP and its interaction with the PRS be conducted by the Department of Housing, Planning and Local Government to determine the next steps for HAP. HAP must evolve and be dynamic, flexible and responsive to the needs of tenants and satisfy social housing need if it is to continue as a main stay of social housing provision.

Threshold will continue to campaign to bring about positive change for tenants in the PRS and contribute to making the PRS a viable, sustainable, secure tenure option.