

Supplementary Welfare Allowance, Rent Supplement: Implications for the Implementation of the Rental Accommodation Scheme

Briefing Note

CHR study advises on implementation of the new Rental Accommodation Scheme

A report entitled *Supplementary Welfare Allowance, Rent Supplement: Implications for the Implications of the Rental Accommodation Scheme* was undertaken by the Centre for Housing Research and commissioned by the Department of the Environment, Heritage and Local Government. It profiles current rent supplement claimants and trends in take-up to inform the implementation of the new Rental Accommodation Scheme (RAS).

The RAS initiative involves local authorities assuming responsibility for claimants assessed as in long-term housing need and entering into medium and long-term contract agreements with landlords to provide accommodation for letting exclusively to participants in the scheme.

In the implementation of the RAS, the study advises that claimants may continue claiming rent supplement to become eligible for the RAS and that variations in the way rents are calculated by local authorities (referred to as the differential rent scheme) leads to inconsistencies, which should be addressed. The scheme should also avoid leading to further concentrations of areas with high proportions of low-income households.

Background notes:

The study was undertaken by Dermot Coates, Centre for Housing Research and Dr Michelle Norris, UCD School of Applied Social Studies.

The Centre for Housing Research was established in 1998 to facilitate the improved management of social and affordable housing through research, training and policy advice. The Department of the Environment, Heritage and Local Government and the local authorities fund its work. The Centre also generates revenue from its training and research outputs and is administered through the Institute of Public Administration.

Rent Supplement is part of the Supplementary Welfare Allowance (SWA) scheme. It is the main financial support available to low income, private renting tenants in the Republic of Ireland, costing €369 million in 2005. In July 2004, the Government decided that local authorities would assume responsibility for meeting the needs of those with long-term housing needs through a new initiative, the Rental Accommodation Scheme (RAS). The RAS is being phased in from September 2005 and the relevant households will be accommodated in local authority, voluntary or co-operative or private-rented accommodation. The new scheme will involve local authorities entering into medium and long-term contract agreements to provide accommodation for letting exclusively to RAS tenants.