

RLS Scheme

Do you own a residential property that is vacant for more than one year and requires repairs to bring it up to a standard for renting? If the answer is YES, then you may wish to avail of a new Repair & Leasing Scheme offered by Laois County Council. The scheme is targeted at owners of vacant properties who cannot afford or access the funding needed to bring their properties up to the required standard for rental property.

The **Repair and Leasing Scheme (RLS)** is available to assist the owners of vacant properties in bringing them back into use for housing purposes. Where a property requires repairs to bring it up to the standard for required for rented properties (Housing (Standards For Rented Houses) Regulations 2019), the RLS will pay for the repairs in return for the property being made available to be used as social housing for a period of at least 5 years under either a direct lease or Rental Availability Arrangement with the local authority. Under the scheme, the cost of the repairs will be repaid by the owner by offsetting it against the rent due to the owner for the property over the period of the lease agreement.

How much funding is available?

- The maximum funding available is €60,000, inclusive of VAT, per unit of accommodation provided.

What kind of repairs will be paid for under the scheme?

- The ideal properties targeted under the RLS will require a low level of investment to bring them to the required standard for renting. The majority of works will include items such as, for example:
 - new flooring, kitchen, furniture;
 - low grade plumbing or heating works, energy efficiency upgrades;
 - window and door upgrades or replacements;
 - insulation;
 - painting and decorating.
- It is not envisaged that any level of significant structural works will be needed and in the majority of cases no planning permissions will be required.

What are the minimum requirements?

There are a number of requirements in relation to the scheme, including:

- the property must be vacant for at least 12 months before entering the scheme;
- there must be a social housing demand for the property in the area;
- the property must be assessed as being viable to provide social housing after refurbishment.

For how long must the property be made available for social housing?

- The minimum term is 5 years and the maximum term is 25 years. Within those limits, the length and type lease can be negotiated with the local authority and the duration may depend on the cost of the upgrade works.

What are the benefits of RLS to a property owner?

RLS provides significant benefits to the property owner, including:

- Guaranteed rent on a property that has not been generating an income;
- Upgrade of property that might otherwise become derelict;
- No loss of rent during vacant periods;
- No need to collect rent or find new tenants;
- No advertising costs.

As a property owner under RLS may choose whether to enter into:

1. a direct lease, or
 2. a Rental Availability Arrangement, with a local authority.
- Where the owner chooses to enter into a direct leasing arrangement, the local authority or AHB will be the landlord of the property; the property owner will have no landlord responsibilities.
 - Where the owner chooses to enter into a Rental Availability Arrangement with the local authority, the owner of the property will be the landlord to the tenant and carry out the responsibilities of the landlord.
 - The properties acquired under both arrangements will be offered by the local authority or the AHB as accommodation to households who have been approved by the local authority for social housing.

The Repair & Leasing Scheme has been expanded with effect from 17th June, 2022. This modification applies to certain categories of vacant properties only. These are:

- vacant commercial properties;
- vacant units associated with a commercial property (e.g. over a shop);
- vacant former institutional buildings and
- unfinished developments where these have been vacant for a significant period of time.

Funding required to convert vacant commercial or institutional properties to residential units which meet the required rental standards is likely to exceed that provided under the Repair & Leasing Scheme, permitting those who can afford to carry out necessary repairs, or who can access funding, to enter the scheme to convert such properties. This will facilitate the creation of new residential units, while bringing unused buildings back into use and decreasing vacancy.

Criteria

The local authority must be satisfied that all proposed units meet existing social housing need. The property must be vacant for more than one year:

- for commercial units, applications must have been made to the local authority for commercial rate deductions under Section 31A of the Local Government Reform Act 2014; or
- the criteria required for such an application must be met, i.e. that the property is unoccupied for the purpose of the execution of additions, alterations or repairs thereto or because the owner is bona fide unable to obtain a suitable tenant; or

- where the above is not applicable, e.g. buildings exempted from commercial rates, local knowledge of long-term vacancy.

Works are required to bring units up to minimum rental standards (Housing (Standards for Rented Houses) Regulations 2019). The Repair & Leasing Scheme does not apply to new build units (with the exception of unfinished developments where the properties have been vacant for a significant period of time).

Planning requirements

The Planning and Development Act (Exempted Development) Regulations 2022 exempt certain classes of vacant units from the requirement for change of use planning permission where these are being brought back into use as residential units. It is a matter for the Council to ensure that any proposal is in compliance with planning requirements, including whether the above exemption applies.