



# Relate

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The journal of developments in social services, policy and legislation in Ireland

## Housing grants and schemes

There are various housing grants, schemes and tax credits available to homeowners and landlords to adapt or improve their homes. This issue of Relate describes the type of work that qualifies for a grant, scheme or tax credit, the eligibility criteria for each scheme and how to apply. It also covers local authority arrangements to assist with improvements of privately owned houses as an alternative to providing local authority housing. Finally, it examines some of the safety obligations that apply to homeowners when employing contractors to carry out construction work.

It is possible to avail of some of these financial supports in combination with each other – for example, work done under the Better Energy Homes Scheme may also qualify under the Home Renovation Incentive. In addition, the scheme of VAT refunds on aids and appliances for people with disabilities can also apply to adaptation and installation work being carried out to make a home more accessible. Check the details of each scheme to see if they can be combined.

It is important to complete the application process for each of these schemes before you start the planned renovations. Most schemes require you to get advance approval before starting the work. The three main housing grants operated by local authorities, the Housing Adaptation Grant for People with a Disability, Housing Aid for Older Persons Scheme and the Mobility Aids Grant Scheme each get a certain amount of funding each year, so there is a limit on the number of grants that can be made in any particular year. However, if your grant application is received after this limit has been reached, the local authority will process the application in the following year.

The schemes also include various checks on tax compliance and registration of contractors.

**INSIDE:** Find information on the eligibility criteria for housing grants, schemes and tax credits including details of qualifying work, priority applicants, means tests, tax information, grant amounts and where to apply.

## Home Renovation Incentive

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The Home Renovation Incentive (HRI) enables homeowners to claim a tax credit for repairs, renovations or improvement work that is carried out on their main home. Landlords can also claim this tax credit for work done on rental property. Work on the property must be carried out by tax-compliant contractors and must be subject to Value Added Tax (VAT) at 13.5%. The applicant must be up to date with their obligations under the Local Property Tax.

The HRI is paid in the form of a tax credit at 13.5% of qualifying expenditure, which is set against your income tax over two years. This effectively reduces the rate of VAT to zero on qualifying work, up to a value of €30,000.

The HRI was due to end on 31 December 2015 but is now being extended until 31 December 2016. Here we describe how this incentive operates at present. There may be some changes when the full details of the year's extension are announced.

Under the current scheme, qualifying work can be any number of jobs carried out and paid for from 25 October 2013 to 31 December 2015 (for homeowners claiming on their main home) and on or after 15 October 2014 and up to 31 December 2015 (for landlords claiming on their rental property). However, if planning permission is required and is in place by 31 December 2015, work paid for up to 31 March 2016 will qualify.

### Qualifying work

The type of work that qualifies for the HRI includes extensions, garage and attic conversions, the supply and fitting of kitchens, bathrooms and built-in wardrobes, the fitting of windows, garden landscaping, plumbing, tiling, rewiring, plastering and painting.

It can also apply to the repair or replacement of septic tanks or the installation of a radon gas mitigation solution. Work on driveways and on rainwater harvesting systems can also qualify.

Work that is subject to VAT at 23% (such as architect's fees) is not covered. Household items such as furniture, white goods or carpets are also not covered.

### Amount of credit

The qualifying work must cost at least €4,405 before VAT at 13.5%, which amounts to a total of €5,000 with VAT included. You will only get the tax credit in relation to a maximum

expenditure of €30,000 (before VAT) during the period covered by the HRI.

The minimum tax credit is €595, based on the minimum qualifying expenditure of €4,405. The maximum is €4,050, based on the maximum qualifying expenditure of €30,000.

### Details of the work

To claim the HRI tax credit, your contractor(s) must enter details of the work on the HRI online administration system, which is part of Revenue's ROS website. This system is only accessible to contractors who are registered for VAT and who are tax compliant.

### Claiming the credit

You can claim the HRI tax credit after the end of the tax year if your qualifying expenditure has reached the minimum amount of €4,405 before VAT and you have paid income tax. Any unused tax credit can be rolled over into the following year.

In general, the tax credit is payable over the two years following the year in which the work is carried out. If you are a PAYE taxpayer, your HRI tax credit will be divided evenly across your pay dates for each of the two years that it is payable. If you are a self-assessed taxpayer, it will be included in your self-assessment over two years, that is, half the tax credit will be applied each year.

For homeowners, 2015 is the first year in which you can claim a HRI tax credit. For landlords, 2016 will be the first year in which a HRI tax credit can be claimed. The claim facility is available for homeowners and landlords either on Revenue's ROS website or through Revenue's online myAccount facility. Revenue publishes detailed information on the HRI, including handbooks and FAQs, on its website: [revenue.ie](http://revenue.ie).

## Housing Adaptation Grant for People with a Disability

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The Housing Adaptation Grant is available from local authorities where changes need to be made to a home to make it suitable for a person with a physical, sensory or intellectual disability or a mental health difficulty.

The Housing Adaptation Grant is means tested – your total household income is assessed to find out if you qualify for the grant and, if so, the amount payable. The maximum annual income threshold is currently €60,000. In addition, applications for the Housing Adaptation Grant are prioritised by the local authority based on medical need.

The grant can help you make changes and adaptations to your home, for example, making it wheelchair accessible, extending it to add a ground-floor bathroom or toilet, or installing a stairlift.

If you only require minor work to your home, you can apply for the means-tested Mobility Aids Grant Scheme instead (see page 5).

An occupational therapist's (OT) assessment is required before a Housing Adaptation Grant can be approved. The local authority can arrange for an OT assessment, or you can hire an OT privately to carry out an assessment and recoup the cost of the private assessment up to €200 as part of the total grant. The grant will not be paid if you start work before the local authority gives written approval. However, it is expected that the work will start within six months of your grant approval.

The grant can be paid to people living in:

- Owner-occupied housing
- Houses being purchased from a local authority under the Tenant Purchase Scheme
- Private rented accommodation (the duration of your tenancy can affect grant approval)
- Accommodation provided under the voluntary housing Capital Assistance and Rental Subsidy schemes
- Accommodation occupied by persons living in communal residences

## Priority levels

Applications for the Housing Adaptation Grant are prioritised based on medical need. There are three priority levels:

- Priority 1: A person who is terminally ill or who is fully or mainly dependent on family members or a carer; or where alterations or adaptations to the person's home would facilitate discharge from hospital or alleviate the need for hospitalisation in the future
- Priority 2: A person who is mobile but needs assistance with, for example, washing or using toilet facilities; or where, without the alterations or adaptations, the person's ability to function independently would be hindered
- Priority 3: A person who is independent but who requires special facilities to improve their quality of life, for example, a separate bedroom

## Means test

Your total household income is assessed to find out if you qualify for the grant and, if so, the amount payable.

Household income is:

- The property owner's (or tenant's) annual gross income, together with their spouse's or partner's annual gross income in the previous tax year
- The income of any other adults living in the household who are aged over 23 years if in full-time education, or aged over 18 if not in full-time education

The following is not taken into account when calculating household income:

- €5,000 for each member of the household aged up to 18 years
- €5,000 for each member of the household aged between 18 and 23 years and in full-time education or on a SOLAS apprenticeship
- €5,000 where the person with a disability (to whom the grant application relates) is being cared for by a relative on a full-time basis
- Child Benefit
- Family Income Supplement
- Domiciliary Care Allowance
- Respite Care Grant
- Carer's Benefit and Carer's Allowance (if the carer's payment is made in respect of the person to whom the grant application relates)

## Tax information

When applying for the grant, you must provide:

- Your tax reference number. For people paying tax under PAYE or getting social welfare payments, their tax reference number is their PPS number. For some self-employed people, their PPS number is their tax reference number, while some have a separate tax reference number.
- Details of your tax district
- A statement that, to the best of your knowledge, your tax affairs are in order

If the value of your grant application adds up to €10,000 or more, you must make a valid Tax Clearance Certificate available to the local authority. You can provide the physical certificate or else give the local authority your customer number and the reference number of the certificate and authorise it to confirm your tax clearance status electronically.

You must also provide evidence that the Local Property Tax on the house has been paid.

For payments over €650, you must provide the local authority with the following details in respect of each contractor:

- Name, address, tax reference number and tax district
- C2/tax clearance number and
- Expiry date of the C2/Tax Clearance Certificate

For all grant payments totalling €10,000 and over, contractors must either produce a valid C2/Tax Clearance Certificate or authorise the local authority to confirm their tax clearance status electronically.

## Amount of grant

Under the Housing Adaptation Grant Scheme for People with a Disability, if your household income is less than €30,000, you may qualify for 95% of the cost of the works (up to the maximum grant amount of €30,000). The proportion of the costs to be grant aided tapers from 95% to 30% depending on your income. If your income is between €50,000 and €60,000, the maximum grant available is €9,000.

If your house is less than 12 months old, the grant will generally not exceed €14,500.

You may also be able to claim under the scheme of VAT refunds on aids and appliances for people with disabilities, which can also apply to adaptation and installation work being carried out to make a home more accessible. To apply for the VAT refund, you need to fill in claim form VAT 61A, which is available on the Revenue website: [revenue.ie](http://revenue.ie).

You should contact the Housing Department of your local authority for details on how to apply for the Housing Adaptation Grant Scheme for People with a Disability.

## Housing Aid for Older Persons Scheme

The Housing Aid for Older Persons Scheme is used to improve the condition of older people's homes. In general, it is aimed at people 66 years of age and older.

The scheme is means tested. Currently, the maximum income threshold is €60,000, and the maximum grant is €8,000. Applications for the scheme are prioritised based on medical need.

Local authorities vary as regards what type of work they will provide funding for under this scheme. You should check with your own local authority to see which types of work its scheme will cover.

The grant can be paid to people living in owner-occupied housing or in houses being purchased from a local authority under the Tenant Purchase Scheme.

The type of work that is grant aided can include some or all of the following:

- Structural repairs or improvements
- Repair or replacement of windows and doors
- The provision of water, sanitary services and heating
- Cleaning and painting
- Radon gas remediation
- Re-wiring and any other repair or improvement work considered necessary

When the local authority receives your application, it may request an assessment by an occupational therapist (OT). The local authority can arrange for the assessment. Alternatively, you can employ an OT to carry out an assessment and you can recoup up to €200 towards the cost of the private assessment as part of the total grant. The grant will not be paid if you start work before the local authority gives written approval. However, it is expected that the work will start within six months of your grant approval.

## Priority applicants

Applications for the scheme are prioritised based on medical need and on the urgency and necessity of the identified works. Highest priority is given to a person who requires essential alterations or adaptations in order to facilitate the continuance of their care in their own home or to facilitate their discharge from hospital.

## Means test

Your total household income is assessed to find out if you qualify for the scheme and, if so, the amount payable.

Household income is:

- The property owner's (or tenant's) annual gross income, together with their spouse's or partner's annual gross income in the previous tax year
- The income of any other adults living in the household who are aged over 23 years if in full-time education, or aged over 18 if not in full-time education

The following is not taken into account when calculating household income:

- €5,000 for each member of the household aged up to 18 years

- €5,000 for each member of the household aged between 18 and 23 years and in full-time education or on a SOLAS apprenticeship
- €5,000 where the person with a disability (to whom the grant application relates) is being cared for by a relative on a full-time basis
- Child Benefit
- Family Income Supplement
- Domiciliary Care Allowance
- Respite Care Grant
- Carer's Benefit and Carer's Allowance (if the carer's payment is made in respect of the person to whom the grant application relates)

## Tax information

When applying for the scheme, you must provide:

- Your tax reference number
- Details of your tax district
- A statement that, to the best of your knowledge, your tax affairs are in order

You must also provide evidence that the Local Property Tax on the house has been paid.

For payments over €650, you must provide the local authority with the following details in respect of each contractor:

- Name, address, tax reference number and tax district
- C2/tax clearance number and
- Expiry date of the C2/Tax Clearance Certificate

## Amount of grant

The maximum grant available under the Housing Aid for Older Persons Scheme is €8,000, which may cover up to 95% of the approved cost of works.

This maximum grant of 95% is available to people with annual household incomes of less than €30,000, tapering to a grant of 30% for those with annual household incomes of between €50,000 and €60,000.

You should contact the Housing Department of your local authority to apply for a grant under the Housing Aid for Older Persons Scheme.

## Mobility Aids Grant Scheme

The Mobility Aids Grant Scheme provides grants for works designed to address mobility problems in the home, such as the purchase and installation of grab rails, a level access

shower, access ramps or a stairlift. It is primarily aimed at older people, but people with a disability can also access the scheme.

The grant is available to people with a maximum household income of less than €30,000. Applications for the scheme are prioritised based on medical need. The maximum grant available is €6,000.

The grant can be paid to people living in:

- Owner-occupied housing
- Houses being purchased from a local authority under the Tenant Purchase Scheme
- Private rented accommodation (the duration of your tenancy can affect grant approval)
- Accommodation provided under the voluntary housing Capital Assistance and Rental Subsidy schemes
- Accommodation occupied by persons living in communal residences

When the local authority receives your application, it may request an OT assessment. The local authority can arrange for the assessment, but you can employ an OT to carry out an assessment and recoup up to €200 towards the cost of the private assessment as part of the total grant. The grant will not be paid if you start work before the local authority gives written approval. However, it is expected that the work will start within six months of your grant approval.

## Priority applicants

Applications for the scheme are prioritised based on medical need. Highest priority is given to a person where alterations or adaptation works would facilitate their discharge from hospital or the continuance of care in their own home.

## Means test

Your total household income is assessed to find out if you qualify for the scheme and, if so, the amount payable.

Household income is:

- The property owner's (or tenant's) annual gross income, together with their spouse's or partner's annual gross income in the previous tax year
- The income of any other adults living in the household who are aged over 23 years if in full-time education, or aged over 18 if not in full-time education

The following is not taken into account when calculating household income:

- €5,000 for each member of the household aged up to 18 years
- €5,000 for each member of the household aged between 18 and 23 years and in full-time education or on a SOLAS apprenticeship
- €5,000 where the person with a disability (to whom the grant application relates) is being cared for by a relative on a full-time basis
- Child Benefit
- Family Income Supplement
- Domiciliary Care Allowance
- Respite Care Grant
- Carer's Benefit and Carer's Allowance (if the carer's payment is made in respect of the person to whom the grant application relates)

## Tax information

When applying for the scheme, you must provide:

- Your tax reference number
- Details of your tax district
- A statement that, to the best of your knowledge, your tax affairs are in order

If you intend to pay more than €650 to a contractor, you must get your contractor to submit their C2/Tax Clearance Certificate to the local authority. You must provide evidence that the Local Property Tax on the house has been paid.

## Amount of grant

The maximum grant available under the Mobility Aids Grant Scheme is €6,000. This can cover up to 100% of the cost of the work completed.

You should contact the Housing Department of your local authority for more details on how to apply for a Mobility Aids Housing Grant under this scheme.

## Better Energy Homes Scheme

The Better Energy Homes Scheme provides grants to homeowners to improve energy efficiency in their home. Landlords and owners of more than one property can also apply for a grant under the scheme. It is administered by the Sustainable Energy Authority of Ireland (SEAI).

Grants are available for the following energy-saving work:

- Roof insulation
- Wall insulation – for example, cavity wall, internal dry lining or external insulation
- Heating controls upgrade
- Installation of a high-efficiency boiler (more than 90% efficiency) including a heating controls upgrade
- A Building Energy Rating (BER) after the energy-saving work is carried out (you must get this BER to qualify for the grant)
- Solar heating
- Your contractor(s) must carry out the works in accordance with the detailed standards set out in the Contractor Code of Practice and Technical Specification, which is available on SEAI's website: [seai.ie](http://seai.ie).

## How to qualify

You must have grant approval before you buy materials or start any grant-funded energy-saving work. If you have already started work, you will not be eligible for a grant. The grant approval remains valid for six months after the date it is issued.

However, a BER can be done ahead of grant approval and could prove useful if you are uncertain about your energy-saving options or what work to get done first.

To qualify for a grant you must:

- Be the owner of a dwelling built before 2006
- Use a contractor from SEAI's list of registered contractors available on [seai.ie](http://seai.ie)
- Use newly fitted materials and products
- Have work done that complies with the required standards
- Have a BER carried out after the works are done
- Use a BER assessor from SEAI's National Register

You may not get a grant if:

- You are replacing your existing boiler with a typical efficiency boiler of less than 90% efficiency
- You replace your boiler but do not replace the heating controls
- The measures do not comply with the required standards
- The relevant measure (the work on your home) was already incentivised under another grant programme

## Home Renovation Incentive

As well as getting a grant under the Better Energy Homes Scheme, you may also be able to claim a tax credit on part of the cost of the work. However, if you are claiming a tax

credit under the Home Renovation Incentive, the amount of expenditure that qualifies for the credit will be reduced. See page 2 for more details on the Home Renovation Incentive.

## Amount of grant

The maximum value of the grant under the Better Energy Homes Scheme depends on the type of work being carried out. For example, the maximum grant available for attic insulation work is €300, while the maximum grant available for external insulation on a detached house is €4,500. If the cost of the work (including VAT) is less than the maximum grant amount, you will get a grant for the actual cost of the work.

A bonus of €300 is payable when you have completed three qualifying measures and a further €100 is payable on completion of a fourth measure. The full grant history of your home is taken into account when calculating whether a bonus is due. A BER is not counted as a measure when calculating entitlement to a bonus.

Grants are paid after the work is completed and you have paid your contractor. Applications received from specific inhabited offshore islands are eligible for 50% additional grant support.

You apply to the SEAI for the Better Energy Homes Scheme. There is further detailed information on the scheme on [seai.ie](http://seai.ie).

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## Better Energy Warmer Homes Scheme

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The Better Energy Warmer Homes Scheme aims to improve the energy efficiency and warmth of homes owned by people on low incomes. It is operated by the Sustainable Energy Authority of Ireland (SEAI) and replaces the Warmer Homes Scheme.

Work funded under the Better Energy Warmer Homes Scheme includes:

- Attic insulation
- Draught-proofing
- Lagging jackets
- Low-energy light bulbs
- Cavity wall insulation
- Energy advice

The services are provided by a panel of non-profit community-based organisations and a panel of private contractors. Both panels are appointed by SEAI. A surveyor calls to your home to confirm that you are eligible for the scheme and assess the amount of work needed. The work is then done by an installer, if SEAI has sufficient budget available. Inspections are carried out on a sample of homes completed to ensure that standards are maintained.

The Environmental Protection Agency encourages anyone availing of this scheme to have their home tested for the presence of radon gas.

## How to qualify

To qualify, your home must have been built before 2006 and you must be getting one of the following payments:

- Fuel Allowance as part of the National Fuel Scheme
- Family Income Supplement

Alternatively, you must have been getting Jobseeker's Allowance for over six months and also have a child aged under seven years old.

If you are in private rented accommodation and at risk of energy poverty, your landlord may be able to get a grant under the separate Better Energy Homes Scheme, described on page 6.

## Amount of grant

There is no charge to the homeowner for work done under the Better Energy Warmer Homes Scheme.

To apply directly for the scheme, contact SEAI by phone on 1800 250 204 or email [warmerhomes@seai.ie](mailto:warmerhomes@seai.ie). There is further detailed information on the scheme on [seai.ie](http://seai.ie).

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## Improvement works in lieu of local authority housing

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This scheme enables local authorities to improve or extend privately owned homes as an alternative to providing local authority housing. Carrying out the work must satisfy your housing need and result in your removal from the social housing waiting list.

It is aimed at:

- Owner-occupiers whose homes are overcrowded or sub-standard and who cannot afford to carry out improvements

The Citizens Information Board provides independent information, advice and advocacy on public and social services through [citizensinformation.ie](http://citizensinformation.ie), the Citizens Information Phone Service and the network of Citizens Information Services. It is responsible for the Money Advice and Budgeting Service and provides advocacy services for people with disabilities.

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- Local authority tenants, people on the local authority's housing list, tenant purchasers or housing association tenants who want to move into a home owned by a relative but cannot because the home is sub-standard or too small

If you qualify, the local authority will carry out works to adapt the house or to provide extra bedrooms. The local authority will pay the full costs of the works carried out and you will then pay a charge to the local authority for a maximum of 15 years. If, during the 15-year period, you have paid an amount equal to the total cost of the works, the charge will stop.

The charge will be worked out in a similar way to the differential rent scheme, so it is based on your ability to pay.

You may qualify if you are:

- Registered on the local authority housing waiting list or
- A local authority tenant or a tenant purchaser and you want to move into a privately owned home and return your present house to the local authority or
- A tenant for more than one year of a home provided by a housing association under the Rental Subsidy Scheme and you want to move into a privately owned house and return your present house to the housing association

The local authority will take into account the urgency of your housing needs and the cost-effectiveness of the proposal when deciding whether to improve your house or the house that you plan to move into.

You can sell the house at any time. However, if you do so during the 15-year period of charges or before your total payments equal the cost of the works, you will have to make a repayment to the local authority.

You should contact your local authority to apply for the scheme.

## Getting the work done safely

Under the Safety, Health and Welfare at Work (Construction) Regulations 2006 to 2013 (known as the Construction Regulations) homeowners are obliged to ensure that construction work on their home is carried out by competent

people. Homeowners may also have other obligations, including appointing a project supervisor, keeping a safety file and informing the Health and Safety Authority if the construction project is going to last longer than 30 days (or 500 'person days').

Examples of construction work which may come within the Safety, Health and Welfare at Work (Construction) Regulations 2006 to 2013 include employing someone to:

- Build an extension, porch or garage
- Complete an attic conversion
- Re-fit a kitchen
- Re-slate a roof
- Fit solar panels or a skylight

DIY work is not covered by the regulations.

You can find out more about homeowners' obligations on the website of the Health and Safety Authority at: [hsa.ie/eng/Your\\_Industry/Construction](http://hsa.ie/eng/Your_Industry/Construction).

The works must also comply with the Building Control Regulations 1997–2015.

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