

Press Release
For Immediate Release
7th May 2015

Response to Statement Issued by Taoiseach's Office

The Irish Property Owners Association, the national landlords representative organisation established in 1993, have grave concern in respect of some of the proposals outlined yesterday in respect of water charge arrears. [A Statement from the Taoiseach](#) included four points in respect of water charges:

“i. The liability for the water charge will transfer automatically to an owner of a property where the owner has not provided Irish water with the necessary details in respect of a tenant.”

Stephen Faughnan Chairman of the IPOA : [“This is a workable situation, although it involves more administration, but landlords can contact Irish Water when tenants move into a property.”](#)

“ii. There will be a deemed obligation, in all new tenancy agreements, for the occupier to pay water charges, other than short-term lets where the landlord may retain this liability. It would already be standard in the majority of leases that tenants have responsibility for utility payments including water.”

Stephen Faughnan Chairman of the IPOA : ["This is as stated already in most agreements and may not be too difficult to comply with. Most agreements state that utilities are paid to the provider, but further clarification is required from Government."](#)

“iii. There will be a further requirement for a landlord to retain a tenant deposit until the tenant provides evidence that they have paid their water charges; this is a temporary role for landlords until such time as the PRTB take over deposit protection whereby tenants will have to demonstrate that the domestic water bill is settled to recoup deposit.”

Stephen Faughnan Chairman of the IPOA : [“This is fraught with difficulty, totally unacceptable and unworkable, e.g. who takes priority in situations where rent has not been paid or extensive damage has been caused? Data Protection legislation may intervene in the process. Detailed clarification is required before an assessment on the situation can be fully made.”](#)

“iv. Furthermore, there will be an obligation to confirm that water charges are paid before the completion of the sale of a dwelling to include a requirement to discharge arrears of water charges; a yearly domestic water bill represents a minor proportion of the proceeds of a house-sale”

Stephen Faughnan Chairman of the IPOA : "If a tenant has not paid their water charges, this should not affect the landlord selling the property as otherwise it is making a landlord responsible for utilities which undermine the "user pays" principle. The Government appears to have an agenda designed to undermine the private rental sector. Not content to destroy the sector with the punitive tax treatment including taxing a loss making situation, it is now trying to force landlords to collect debts owed to third parties. The State continues deliberately undermining the landlord tenant relationship. It is trying to force landlords to do its dirty work. The Irish State seems to consider tenants to be irresponsible and unreliable otherwise it would leave Irish Water to collect its own charges like in the UK and other jurisdictions. These charges can be collected from tenants the same way they are proposed to be collected from home owners.

Rent Supplement is paid to tenants and can only be paid directly to a landlord if tenants request that this is done. The Minister for Social Protection has given tenants the choice as to whether they pay money given in respect of the cost of their accommodation to their landlord, but on the other hand it, expects landlords to collect for water services. Why are tenants treated differently from every other citizen? This is clearly a victimization tactic on both landlords and tenants.

Forcing landlords to collect water charges is unfair, unacceptable and going to cause more difficulties for the sector. It puts unfair pressure on landlords and will put an unreasonable burden on the PRTB dealing with disputes. A precedent may be set which will fundamentally change the landlord's role in the utility situation. A possible result of this idea will be that deposits will increase significantly and more landlords will leave the sector. All tenants will again suffer. Currently, 30% of landlords intend to exit the sector. This has not been thought through by Government. It smacks more of rushing through ideas before the General Election to give the impression that things are changing for the better in the private rental sector. Tinkering at the edges without any logical train of thought will not solve the fundamental problems which exist.

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