

Differential Rent Scheme

1. **Scope of Scheme:**

- (i) Rents of dwellings let on differential rent will be calculated in accordance with paragraph 2 below, as a proportion of assessable income of the principal earner in accordance with a graded scale which includes allowances for the principal earner and dependent children together with a contribution from any subsidiary earners in the household. In determining rent in the case of a new or a transferred tenancy, assessable income should be reckoned by reference to the income situation of the family as at the date of commencement of tenancy.

- (ii) Assessable income of the principal earner (and subsidiary earner(s) where applicable) is the income from the following sources, assessed in full, but reduced by pay related social insurance contributions, income levies and any income tax payable, on such income –
 - a. income from employment including self employment,
 - b. all social insurance and social welfare payments & allowances, excluding payments listed at (vi) beneath.
 - c. income from pensions of kind not already included at (b) above.
 - d. In the case of self employment, tenants will be obliged to submit audited accounts for the previous year and the last income tax assessment from the Inspector of Taxes. In the absence of certified accounts/notice of assessment tenants who are self employed may be assessed on a minimum net income of €500.00 per week.
 - e. Maintenance payments received

- (iii) Income of any employed person is, in general, the normal weekly rate of remuneration including regular payments such as overtime, bonuses and commission.

- (iv) Principal earner is the person (either the tenant or any other person normally resident in the household) who is in receipt of the highest assessable income within the household.

- (v) Subsidiary earner is a member of the household, other than the principal earner who has an income.

- (vi) Income from the following sources is disregarded for rent calculation purposes:-
 - a. Children's allowance;
 - b. Scholarships and students grants;
 - c. Boarding-Out payments;
 - d. Domiciliary care allowance
 - e. Lump sum compensation payments.
 - f. Fuel Allowance and Living Alone Allowance
 - g. Blind Welfare Allowance
 - h. Foster care Allowance

- (vii) Additional income, above standard social welfare rates, from Community Employment Schemes and Back to Work Schemes is disregarded for rent calculation purposes.

Tenants in receipt of income from the above sources will have their rent calculated using standard social welfare rates.

2.

Calculation of Rent:

The rents of dwellings let on differential rent will be determined on the basis of the following scales of assessable income calculated in accordance with the notes below, to which the principal earners allowances and the rent percentage of 17% shown should be applied.

Income Band	Less Principal Earners Allowance	Rent Percentage
Up to €210	€40	17%
Over €210 up to €245	€33	17%
Over €245 up to €260	€29	17%
Over €260 up to €285	€20	17%

In addition to the allowance for principal earners, allowances should be made for dependent children on the basis of €6.00 per week for each of the first four children and €8.00 for each additional child of 16 years or under or who being under 21 is attending, a full-time course of education is wholly or mainly maintained by the principal earner.

Calculation of rent for HAP tenants shall be in accordance with the criteria outlined above, however where a top up payment to a private landlord is made the differential rent may be reduced.

Couples with separate social welfare claims, excluding old age pensions, shall have their rent determined on the basis of a joint social welfare claim.

The minimum assessable income for rent calculation purposes shall be the standard social welfare rate.

3.

Special Discounts

A €15.00 discount will be awarded to tenants over 60 years to be deducted from the principal earner's income only. A further discount of €10.00 is to be awarded to tenants over 80 years.

- 4. Subsidiary Earners**
After the rent payable by the principal earner has been determined, 10% of each subsidiary earners income shall be added, except for those on a reduced rate of social welfare of less than €115 who shall be liable to pay €5.
- 5. Maximum Rent:**
(i) A maximum weekly rent of €150.00 will apply.
(ii) Where rent reviews and/or adequate income details are not submitted, a weekly rent of €150.00 will be applied.
- 6. Minimum Rent:**
In determining rent, a minimum rent will apply as follows: -
- | | |
|------------------------------|---------|
| 4 bed roomed house or over | € 30.00 |
| 3 bed roomed house/unit | € 27.50 |
| 1 or 2 bed roomed house/unit | € 25.00 |
- 7. Serviced Bay**
A fixed weekly charge of €20.00 will apply.
- 8. Rent Reductions:**
In exceptional circumstances where payment of a rent calculated under paragraph 2 would, in the opinion of the authority, give rise to hardship, the housing authority may agree to accept a lesser sum from a tenant for a specified period.
- 9. Review of Income:**
The tenant must notify the local authority immediately of any change in income or in family circumstances.
- 10. Rounding up and down:**
Rents calculated in accordance with this scheme will be rounded up or down to the nearest 50c.
- 11. Management Fees**
Where there is a service charge in place by a Management Company or Residents Association the tenant is liable for the fee levied. This charge may be added to the tenant's rent account.
- 12. HAP, RAS & Social Leasing**
This Differential Rent Scheme also applies to the Housing Assistance Payment (HAP) Scheme, Rental Accommodation Scheme (RAS) and Social Leasing Scheme.