



**Comhairle Contae Thiobraid Árann**  
Tipperary County Council

## **DIFFERENTIAL RENT SCHEME 2018**

### **1. Scope of Scheme**

This scheme will apply from 2nd July 2018. It will supersede all existing Differential Rent Schemes.

### **2. Differential Rents**

- (i) Rents of dwellings let on differential rent will be calculated based on assessable income as defined in paragraph (ii) below, together with a contribution from any subsidiary earners in the household. Tenants in employment may be required to provide a Form P60. Tenants may also be requested to submit a P21 statement. In the case of self-employed a notice of assessment and audited accounts for previous year will be required. In determining rent in the case of a new or transferred tenancy, assessable income will be reckoned by reference to the income of the family at the date of commencement of tenancy.
- (ii) Assessable income of the principal earner is the full income from the following sources, but reduced by pay-related social insurance contributions, income levy, pension contributions, usc and any other statutory deductions and any tax payable on such income: -
  - (a) income from employment including self-employment.
  - (b) all social insurance and social assistance payments, allowances and pensions, health board allowances except payments listed at (v) beneath. For couples, whether married, civil partnership, common law, joint tenants etc. who are in receipt of separate social insurance payments, the combination of these payments is taken as the principal earner's income for the purpose of this scheme. Therefore, spouses or partners are not to be classed as subsidiary earners.
  - (c) income from pensions or kinds not already included at (b) above
- (iii) Income of employed person/self-employed person - income shall be the weekly earnings or income.

In the case of employed persons, the annual earnings as shown on the P60/P21 form may be converted to a weekly average. In the case of self-employed persons, taxable income or an amount determined by the Council from other satisfactory evidence eg. based on a notice of assessment and/or audited accounts.

(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 or a couple referred to in number 2(ii)b above

(v) Income from the following sources is disregarded for the purposes of calculation of rent:

- (a) children's allowances, orphan's allowances or orphan's pensions payable under the Social Welfare (Consolidation) Act, 1981.
- (b) scholarships and higher education grants.
- (c) allowances payable under the Boarding Out of Children Regulations, 1954.
- (d) Guardianship payments
- (e) allowances for domiciliary care of handicapped children under the Health Act, 1970.
- (f) lump sum compensation payments.
- (g) fuel allowance.
- (h) Living alone allowance

(vi) Income from the following sources are taken into account for rent purposes:

- a) FIS
- b) Back to Work Allowance
- c) Overtime payments
- d) FAS
- e) CE Scheme

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

(vii) Rent contribution of dwellings let under the Rental Accommodation Scheme will be calculated in accordance with the paragraphs (i) to (vi) above and will also have regard to the minimum rent contribution payable under Rent Supplement administered by the Department of Social Protection

### 3. **Calculation of Rent**

The rents of dwellings let on differential rent will be calculated as follows:

- €20.00 rent for the first €200 of the net weekly income plus €0.20 per euro thereafter in respect of all dwellings
- A deduction of €2.30 will be allowed in respect of each child under the age of 16 years, or who being less than 21 years, is attending a full-time course of education and is wholly or mainly maintained by the principal earner.
- After the rent payable in respect of the principal earner has been determined, 10% of the income of each subsidiary earner shall be added, subject to a maximum contribution of €40.00 by each subsidiary earner.
- The amount of rent calculated in this way shall not exceed the maximum rent referred to in paragraph 6, or be less than the minimum rent set out in paragraph 7.

The above also applies to the determination of rent contribution of dwellings let under the Rental Accommodation Scheme and the long-term leasing scheme.

The rent of dwellings let on differential rent to members of the travelling community will be calculated having regard to the Councils Traveller Policy per paragraph 4 below.

#### 4. **Traveller rent policy -----Group/Standard/Rural Houses**

New Tenant (move from Halting Site)	1 <sup>st</sup> Year	New Tenant 1 <sup>st</sup> Year 50% reduction of Differential Rent on the basis of major change of lifestyle.
	2 <sup>nd</sup> Year	Full Differential Rent

#### **Halting Site (Official Bay)**

Bay	€15
Bay Converted to House in Halting Site	€25

#### 5. **Demountable**

Demountable	€15
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#### 6. **Maximum Rent**

The weekly maximum rent of each category of Local Authority rented dwellings (both new and existing) together with RAS & LTL accommodation, will be as follows:

One and two bedroom houses	€120.00 per week.
Three bedroom houses	€130.00 per week.
Four bedroom houses	€140.00 per week.

#### 7. **Minimum Rent**

In the case of Local Authority rented dwellings including LTL accommodation, the minimum rent of €20 will apply

The weekly minimum rent for a tenancy under the Rental Accommodation Scheme shall be the minimum rent contribution payable under Rent Supplement administered by the Department of Social Protection. Where a tenant is currently on less than this minimum they will remain on same but in any event not be less than current minimum rent.

#### 8. **Hardship Cases**

In exceptional circumstances where payment of a rent would, in the opinion of the Housing Authority, give rise to hardship, the Authority may agree to accept a lesser sum from the tenant for a specified period. All Hardship cases must initially be referred through MABS, followed by the Hardship form being completed.

## 9. **WORKS-IN- LIEU SCHEME**

Differential rent is calculated as above. This figure is then multiplied by the cost of the work and divided by €44, 440.00 (pre1999), €63,500 or €125,000 (from 1<sup>st</sup> July 2002). This is a set formula directed to the Housing Authority by the Department of Housing, Planning and Local Government (rounded up to nearest 10 cent).

$$\text{i.e. Differential Rent X Cost of Work} = \frac{\text{€}}{\text{€125,000}} \text{ weekly payment}$$

## 10. **Review of Incomes**

The tenant or joint tenants should notify the Housing Authority immediately of any change in income or in family circumstances.

## 11. **SUBMISSION OF INCOME DETAILS:**

The tenant, or joint tenants, must supply to the Housing Authority when requested to do so, details of all income of the household ( including the income of subsidiary earner) to facilitate the calculation of the amount of rent being charged at the appropriate maximum level permitted under paragraph 5.

## 12. **Rounding Up and Down**

Where the rents calculated in accordance with the preceding paragraphs are not multiples of €0.10, they shall be rounded up or down to the nearest €0.10, amounts of €0.05 being rounded up.