

***LONGFORD COUNTY COUNCIL
DIFFERENTIAL RENT SCHEME 2023***

1. Commencement Date

This Scheme, which supersedes all existing rent schemes, will apply with effect from 8th November 2023.

2. Differential Rents

Rents will be calculated in accordance with Part 6 this scheme as a proportion of the assessable income of the principal earner(s) together with a contribution from any subsidiary earners in the household.

New Tenancies: Assessable income will be reckoned by reference to the household income as at the date of commencement of tenancy.

Transfer Tenancies: Where an existing tenant is being transferred to an alternative property, assessable income will be reckoned by reference to the household income as at the date of commencement of the new tenancy.

Existing Tenancies: Where rent is being reviewed arising from a change of circumstances in an individual household, assessable income will be reckoned by reference to the household income as at the date of the change of circumstances.

3. Assessable Income

Assessable income is the Principal and Subsidiary Income from the following sources, assessed in full, but reduced by Income Tax, PRSI, USC and any Pension Levy under FEMPI legislation:

- 1) Income from employment including self-employment. Self-employment income will not be deemed to be below the basic social protection income for the equivalent household size.
- 2) All social insurance and social assistance payments, allowances and pensions, Health Service Executive allowances and all other payments and allowances from whatever source unless they are specifically excluded as outlined in the disregarded income section.
- 3) Income from pensions not included at 2 above
- 4) Rental and other income from land or property.
- 5) Income from interest earned on savings, deposit accounts and investments; and
- 6) where a tenant is **receiving** maintenance on foot of a court order or legally binding agreement or under a formal or informal arrangement such income must be declared and will be counted as assessable income.

4. **Disregarded Income**

Income from the following sources shall not be counted as income for the purpose of calculation of rents:

- (a) Child Benefit
- (b) Guardian's payment - contributory and non-contributory
- (c) Foster Care Allowance
- (d) Domiciliary Care Allowance
- (e) Dietary Allowance
- (f) Fuel Allowance
- (g) Living Alone Allowance and over 80 Allowance
- (h) Youth Reach Allowance – In full up to the age of 18, thereafter to the extent to which it exceeds the Basic Social Welfare entitlement of the recipient.
- (i) Back to School Clothing and Footwear Allowance
- (j) Exceptional Needs Payment
- (k) Carer's Support Grant
- (l) Electricity Allowance
- (m) Telephone Support Allowance
- (n) Lump Sum Compensation Payments
- (o) Blind Welfare Allowance

Partially disregarded income

That amount in excess of the basic social welfare rate of payments made by the Department of Social Protection in respect of:

- (a) Carer's Allowance
- (b) National Internship Scheme
- (c) Tús Scheme – Community Work Placement Incentive
- (d) Rural Social Scheme
- (e) Community Employment Scheme
- (f) Youth Reach Training Allowance (after age of 18)
- (g) Gateway Local Authority Labour Activation Scheme
- (h) Back to Education Allowance
- (i) Vocation & Educational Training Scheme provided by State

5. **Principal and Subsidiary Income**

The Principal income is:

- (i) the income of the appointed tenant; or
- (ii) the combined income of appointed joint tenant(s); or
- (iii) the combined income of the appointed tenant and a cohabiting person; or the income of any other person normally resident in the household who is in receipt of the highest assessable income within the household.

The Subsidiary Income is the income of each adult member of the household who has an income other than the Principal's Income.

6. Calculation of Weekly Differential Rent

- 1) The weekly rent will be calculated at **22.5%** of the Principal Income as set out in Part 5 of this scheme, which exceeds €50.
- 2) After the rent payable in respect of the principal earner has been determined, a contribution of €20.00 by each subsidiary earner who is an approved household member will be applied.
- 3) The weekly rent will be the sum of 1) and 2) as set out above.

7. Minimum Rent

The minimum weekly rent of any dwelling shall be €30.00. Should the amount of rent calculated in accordance with Clause 6 not equal or not exceed the minimum rent of €30.00 per week the minimum rent shall apply.

The minimum weekly rent which will apply to Demountable Dwellings shall be €7.00 per Week.

8. Fixed Rents

- Tenants over 66 years of age will be charged a fixed rent of €35 each. (In the case of joint/cohabiting tenants where one tenant/cohabitant is over 66 years, rent will be calculated as €35 + 22.5% of assessable income exceeding €50 of joint tenant/cohabitant who is under 66 years.
- Halting Bay Sites €15
- Demountable Dwellings €22

9. Hardship Clause

In exceptional circumstances where payment of rent calculated in accordance with this Scheme would, in the opinion of the Local Authority, give rise to hardship, the Authority may agree to accept a lesser sum from the Tenant for a specified period (subject to regular reviews and supporting documentation). Further information and accompanying application to apply for a reduction in rent – see Appendix 1.

10. Review of Income

The Tenant shall notify the Local Authority immediately of any changes in household income or in family composition, which would affect the rent calculation. It is the tenant's responsibility to provide accurate information in relation to income when requested to do so. Failure to do so may result in the revised rent being applied with effect from the date on which the change in circumstance occurred which could lead to

significant arrears being applied to the rent account which will have to be paid by the tenant.

Where a tenant fails to submit details of household income and family composition, as part of a rent review or in response to a request by Longford County Council to do so, a nonrefundable penalty may be applied.

11. Rounding Up and Down

Where the rents calculated in accordance with the preceding paragraphs are not multiples of 50 cent, they shall be rounded up to the nearest 50 cents.

APPENDIX 1 – DIFFERENTIAL RENT SCHEME – Hardship Clause

The differential rent scheme is prepared by Longford County Council, under the authority vested in it by Section 58 of the housing Act, 1966 and Section 31 of the Housing (Miscellaneous Provisions) Act, 2009 as amended and having regard to Article 64 of the Housing Regulations, 1980 and Circular Letter HRT 3/2002 dated 6th March, 2002.

Weekly rents are calculated in accordance with the Scheme, as a proportion of the assessable principal household income, together with a contribution from any subsidiary earners in the household less any income which is disregarded.

The minimum weekly rent payable under the Scheme is €30.00.

The Rent Scheme allows that the Council may agree to accept a lesser sum of weekly rent from a tenant for a specified period in exceptional circumstances where payment of a rent calculated under the Scheme would, in the opinion of the Council, give rise to hardship.

If a tenant cannot afford the weekly rent:

- a. An application may be made to have the rent recalculated if the household income changes. A new Rent Assessment Form should be requested, completed, and submitted together with the income details so that the rent can be reviewed.
- b. If there is no change in circumstances but a tenant believes that they cannot afford to pay the rent, in cases of exceptional need they may be considered for a reduced rent for a period subject to an application process.
- c. The Council will assess each application on its merits and based on the individual needs of the household.

How to apply:

1. All applications to have rent reduced due to hardship must be submitted on the Prescribed form to the Housing Office for consideration.
2. The form should be accompanied by supporting documentary evidence of the exceptional needs of the household to be considered e.g.
 - Medical expenses that are not covered by a medical card or where financial assistance is not provided by another means/scheme - proof of medical expenses must be provided.
 - Details of exceptional transport/parking costs incurred to avail of medical services – proof must be provided.
 - Exceptional transport costs to and from work.
 - Proof of exceptionally low income in the case of the Self-Employed
 - Other relevant information supporting an application.

3. Upon receipt of the completed form and supporting documentation, the Council will consider and make its decision on the application.
4. Notification of the decision will be forwarded to the tenant.
5. No rent reduction granted will result in a tenant paying less than the minimum rent of €30 per week.
6. In the event of a tenant not being satisfied with the decision on the application an appeal can be made in writing to the Senior Executive Officer.

If a tenant is experiencing financial difficulties, it is advisable that they contact the local Money Advice and Budgeting Service (MABS) office for budgetary advice.

Completed application forms should be forwarded to the Housing Section, Longford County Council, Town Hall, Market Square, Longford, N39 C5F2