

# WEXFORD COUNTY COUNCIL

## DIFFERENTIAL RENTS SCHEME 2016

### 1. SCOPE OF SCHEME:

This scheme will apply with effect from the Gale Day of the 12<sup>th</sup> June, 2016. It will supersede all existing differential and graded rents schemes within County Wexford and will remain in force until withdrawn or amended.

Wexford County Council as the successor authority under section 24 of 2014 Local Government Reform Act, whose administrative area includes towns that formerly had borough or town councils. The making of Wexford County Council's Differential Rent Scheme is in compliance with policy direction of Circular Housing 26/2015 for Local Authority rent charging.

### 2. DIFFERENTIAL RENTS:

- (i) Dwellings let on differential rent will be calculated on the basis of assessable income as defined in paragraph (ii) below, together with a contribution from any subsidiary earners in the household.

Rent shall be charged weekly on the basis of total household income as follows:

#### 1. **Principal Earners:**

**€30.00 rent on income up to €171.00 with an extra €0.24 rent for every additional €1.00 income thereafter.**

(Example of Rent Calculation on Assessable Income of €312.80 per week)

**€312.80 less €171.00 = €141.80 \* 24% = €34.03 + €30.00 min. rent:  
Total = €64.03.**

(Allowances apply thereafter)

**2. **Subsidiary Earners:**** as set out in paragraph 3 below.

- (ii) **Assessable income** is the income of the principal earner and subsidiary earner/s reckonable for differential rent purposes. It is defined as ones disposable income after statutory deductions, i.e. ones gross taxable pay less income tax, pay-related social insurance and any statutory and voluntary pension contributions from the following sources:
- (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 (vi) beneath.
  - (c) Income from pensions or sources not already included at (b) above.
- (iii) **Income of Principal Earner** shall be the weekly nett earnings or income of tenants, joint tenants or tenant and spouse/partner.
- a) In the case of employed persons:- the weekly nett disposable income as indicated on submitted current pay slips.  
Where, in the case of employed persons, if the nett weekly Income is less than the Full Standard Social Welfare Rate, rent shall be charged on that amount; and also on any Social Welfare income being received by the person.
  - b) In the case of Social Welfare Recipients:- the weekly earnings may be taken as the appropriate rate at January of the previous year. Where declared income is less than that of the standard rate of Jobseekers Allowance, the standard social welfare rate should be applied for rent purposes.  
**Where a couple have their social welfare payment split, assessment for rent purposes will be based on the social welfare entitlement and not the method of payment, to ensure a fair and equitable rents system.**
  - c) In the case of Self-Employed Persons:- Certified Accounts must be submitted and rent will be based on nett disposable income or an amount determined by the Council from other satisfactory evidence.

- (iv) **Principal Earner** is the tenant, joint tenant or tenant's partner.
- (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 the purposes of calculation of rents:**
  - a) Income from children under 18 years
  - b) Child Benefit, Orphan's Benefit and related allowances / pensions payable under the Social Welfare (Consolidation) Act, 1981, as amended and child maintenance payments
  - c) Scholarships & higher education grants
  - d) Allowances payable under the Boarding Out of Children Regulations, 1954
  - e) Allowances for domiciliary care of handicapped children under the Health Act, 1970
  - f) Lump sum compensation payments
  - g) Any extra income derived from participation in government incentive schemes, e.g. TÚS & JobBridge, in excess of the Full Social Welfare Standard Rate where such schemes do not provide for full-time working
  - h) Back to Work Allowance / Enterprise Allowance  
Rent will be assessed on the higher of either Earnings from Employment or Back to Work / Enterprise Allowances or similar schemes
  - i) Family Income Support
  - j) Rent will be assessed on the higher of either Earnings from Employment or Social Welfare payment if a tenant is on Disability Benefit / Allowance / Invalidity pension

- k) Carers Allowance not to be assessed for rent purposes. In the case where a Carers Allowance is the only income in the household, the rent to be calculated at the minimum rent of €30.00 per week. In the case where a Carers Allowance is not the only income in the household, the rent to be calculated on that household income
- l) Any full-time student who is in receipt of Disability Allowance should not be assessed for rent purposes
- m) Widows / Widowers over the age of 66 to be classified as Old Age Pensioners and obtain O.A.P. allowance
- n) Increase in Old Age Social Welfare Allowance for over 80's to be disregarded for rent purposes
- o) Fuel Allowance and other seasonal Social Welfare incomes to be disregarded

### **Transfers and New Tenancies:**

In determining rent in the case of a new or transfer of tenancy, assessable income will be reckoned by reference to the income of the family at the date of commencement of tenancy.

### **3. CALCULATION OF RENT:**

The rents of dwellings let on differential rent will be determined in accordance with para. 2 above and the following:

#### **Deductions for Children:**

A deduction of **€1.75** will be allowed in respect of each of the first four children of family under the age of 16 years, an allowance of **€3.00** per week, per child, to be given for the fifth and subsequent children in the same circumstances.

However, where children aged between 16 and 21 years of age are attending full-time education the allowance per child is **€3.00**.

**Subsidiary Earners:**

After the rent payable in respect of the principal earner has been determined, one-seventh of that part of the assessable income of each subsidiary earner which exceeds **€25.00** per week shall be added subject to a maximum contribution of **€20.00** by each subsidiary earner.

**The amount of rent calculated in this section combined with section 2 shall not be less than the minimum rent as set out in section 6.**

**4. MAXIMUM RENT:**

No maximum rent applies. The rent as calculated will be charged.

**5. PENALTY RENT:**

A penalty rent can be charged where tenants do not return necessary rent forms, proofs of income and other documentation to facilitate calculation of rent after a period of 3 months of the initial request for same.

**6. MINIMUM RENT:**

Where the rent determined in accordance with paragraph 3 above results in a rent of less than **€30.00** a minimum of **€30.00** will apply.

**7. OLD AGE PENSIONS:**

If the principal earner is aged 66 or over, an Old Age Pension Allowance of **€4.50** shall be given.

**8. LIVING ALONE:**

Living Alone Allowance of **€2.00** will be awarded to tenants living alone who are aged 66 and over, Widows/Widowers and single people on Jobseekers Support, and Disability, Illness, and Invalidity Allowances, Benefits and Pensions.

**9. INVALIDITY ALLOWANCE:**

Tenants on long term Invalidity and Disability Pensions can be awarded an allowance of **€2.00** per week.

**10. HARDSHIP CLAUSE:**

The Hardship Clause is applicable to households when, in exceptional circumstances, payment of their calculated rent would, in the opinion of the Housing Authority, give rise to hardship to the tenant or tenant's family. In such cases, the Authority may agree to accept a smaller sum from the tenant for a specified period. Such a smaller sum should not be less than 6% of the total assessable household income.

The Hardship Clause can also apply where any rent scheme proposals substantially increase a tenant's weekly differential rent.

**11. REVIEW OF INCOMES:**

The tenant is obliged, under the Tenancy Agreement, to notify the Housing Authority immediately of any change in income or in family circumstances as well as at any rent review processes being undertaken.

**12. MOBILE HOMES / CARAVANS:**

The weekly rent for a Mobile Home / Caravan is **€13.50** with a deduction of **€2.50** for O.A.P's.

**(a)** Residential Caravan Bay (including Chalet) €12.50.

**(b)** Serviced Bay/Temporary Halting Site - €6.35.

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