

COMHAIRLE CHONTAE DHUN NA NGALL

DONEGAL COUNTY COUNCIL



**Comhairle Contae
Dhún na nGall**
Donegal County Council

2020
DIFFERENTIAL RENT SCHEME

(1) THIS SCHEME WILL APPLY TO DONEGAL COUNTY COUNCIL AND WILL TAKE EFFECT AS FOLLOWS:

Saturday 25th January 2020: Existing Tenants with change of circumstances.
Saturday 25th January 2020: New Tenants
Saturday 4th April 2020: All other Tenants

It will supersede all existing Differential and Graded Rent Schemes. Rents will be reviewed annually under this Scheme.

(2) DIFFERENTIAL RENTS

Rents of dwellings let on differential rent will be calculated in accordance with paragraph (3) as a proportion of the assessable income of the principal earner(s) together with a contribution from any subsidiary earners in the household. An allowance for dependant children will be deducted from weekly rent as calculated.

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

Transfer Tenancies: Where an existing tenant is being transferred to an alternative property, this is deemed to be a new tenancy and as such assessable income will be reckoned by reference to the income situation of the family 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 income situation of the family as at the date of the change of circumstances.

Annual Rent Review: Where rents are being reviewed for existing tenants as part of the annual rent review, assessable income will be reckoned by reference to the income situation of the family as at the first week in January of the year in which the annual review is being carried out.

(3) CALCULATION

Rents will be calculated in accordance with the following income scales and fractions:

Assessable Weekly Income of Principal Earner	Rent Fraction
Up to € 200.00	1/7
Over € 200.00	1/6

(4) ALLOWANCE FOR DEPENDANT CHILDREN

Deduct €2.20 from weekly rent as calculated, in respect of each child of sixteen years or under, or who being twenty one years or under is attending a full time course of education, or is wholly or mainly maintained by principal earner.

(5) SUBSIDIARY EARNER: 1/7 of income in excess of €30.00 to a maximum payable of €26.00

After the rent payable in respect of the principal earner(s) has been determined one seventh of income of each subsidiary earner which exceeds €30.00 will be added subject to a maximum contribution of €26.00 by each subsidiary earner.

(6) MAXIMUM RENT; Economic Rent

The weekly maximum rent for households with a net income of €500 or less is €72.00.

For households with a net income of over €500 the maximum rent will increase by €1 for every €20 by which the income exceeds this amount.

(7) MINIMUM RENT: €17.00

SENIOR CITIZENS (66 OR OVER)

- (a) Living alone: Standard rent - €26.90 per week
- (b) Two or more senior citizens - €26.90 for first senior citizen, plus €13.50 per week for each additional senior citizen.
- (c) Senior citizen with subsidiary earner – as (a) and (b) above plus increase per subsidiary earner as at paragraph (5) above.
- (d) Where the senior citizen(s) is / are not the principal earner(s) the rent for the senior citizen(s) is calculated in accordance with 7 (a) & (b) above and added to the rent as calculated for the principal earner as at (3) above.

(8) HARDSHIP CASES: - Discretion of Chief Executive or delegated officer.

In exceptional circumstances where it is thought that payment of a rent calculated under the Scheme would give rise to hardship, the Chief Executive or delegated officer may agree to a lesser sum.

(9) REVIEW OF INCOME: - on a continuous basis.

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

(10) INCOME TAX, UNIVERSAL SOCIAL CHARGE, PENSION RELATED DEDUCTION & PRSI: - To be determined by details on Pay Slip.

(11) ROUNDING UP AND DOWN

Where the rents calculated in accordance with the Scheme are not multiples of 10c they will be rounded up or down to the nearest 10c, amounts of 5c being rounded up.

(12) ASSESSABLE INCOME

Assessable Income is income from the following sources, assessed in full but reduced by Income Tax, Universal Social Charge, PRSI and Pension Related Deduction (PRD) – this does not include normal pension scheme contributions.

- (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 (1 – 1X) below.
- (c) Income from pensions of kinds not already included at (b) above.
- (d) Income of an employed person is in general, the normal weekly rate of remuneration as defined in Section 1 of the Holidays (Employees) Act, 1973 except that overtime is excluded. All other regular payments in the nature of pay are included.
- (e) Maintenance payments under a separation agreement - Payments are treated as income for the calculation of rent only in so far as the portion of the payment in respect of the spouse/partner. Payment in respect of children is disregarded.
- (f) 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.
- (g) Joint Incomes - The combined incomes of husband and wife or co-habiting partners are added and treated as one to determine if the combined income is greater or lesser than any other person in the house. If the combined income is the greater, these persons will be treated as the principal earner whereas if the other person has a higher income than the combined income that person will be treated as the principal earner and the income of the husband and wife or co-habiting partners are treated separately as Subsidiary Earners. This applies to all tenants irrespective of whether or not they are both named on the tenancy agreement, and whether they are in receipt of a wage or social welfare allowance.
- (h) Subsidiary Earner is a member of the household other than the principal earner, who has an income.

Income Disregards (Full)

Income from the following sources is disregarded for the purpose of calculation of rents:

- (1) Children's Allowance's, Orphan's Allowances or Orphan's Pension Payable under The Social Welfare (Consolidation) Act, 1981.
- (11) Scholarships.
- (111) Allowances payable under the Boarding Out Of Children Regulations 1954 – Foster Care Allowance – Guardian Payment.
- (1V) Allowances for Domiciliary Care of Handicapped Children under The Health Act, 1970.
- (V) Lump Sum Compensation Payments.
- (V1) 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.
- (V11) Living Alone Allowance and Over 80 Allowance.
- (V111) Blind Supplementary Welfare Allowance.

Income Disregards (Partial)

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

- (I) Carer's Allowance.
- (II) National Internship Scheme.
- (III) Tús Scheme.
- (IV) Rural Social Scheme.
- (V) Community Employment Scheme.
- (VI) Youth Reach Training Allowance (after age of 18).
- (VII) Gateway Local Authority Labour Activation Scheme.
- (VIII) Back to Education Allowance.
- (IX) Vocation & Educational Training Scheme provided by State.

(13) MAXIMUM INCREASE

New Tenancies: Not applicable.

Transfer Tenancies: As these are deemed to be new tenancies, not applicable.

Existing Tenancies – Change of Circumstances: Increase for households will not exceed €10 per week within the calendar year (January to December). Where however the change of circumstances relates to a new adult member joining the household, the maximum increase rule does not apply.

(14) ANNUAL REVIEW

Where rent is being reviewed as part of the annual review, the maximum increase rule applies, except in cases where the increase arises as a result of an additional adult member joining the household as referred to above.