

COMHAIRLE CHONTAE DHUN NA NGALL

DONEGAL COUNTY COUNCIL



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

DIFFERENTIAL RENT SCHEME

Updated – 1st January 2026

1. APPLICATION OF THE SCHEME

This scheme will apply to all tenants of social housing in County Donegal, including:

- Tenants of dwellings owned and leased by Donegal County Council
- Tenants accommodated under the Rental Accommodation Scheme (RAS)
- Tenants in receipt of Housing Accommodation Payment (HAP)
- Tenants accommodated by an Approved Housing Body (AHB).

The Scheme will supersede all existing Differential Rent Schemes and will take effect from *1st January 2026*.

2. DIFFERENTIAL RENTS

Differential rent will be calculated in accordance with ***section 3 (below)*** 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 dependent children will be deducted from weekly rent, as calculated – see *section 3(d)* below.

New Tenancies:

Assessable income will be reckoned by reference to the income situation of the household as at the date of commencement of tenancy. Succession tenancies will be treated the same as new tenancies for rent calculation purposes.

Transfer Tenancies:

Where an existing tenant is being transferred to an alternative dwelling, this is deemed to be a new tenancy and, as such, assessable income will be reckoned by reference to the income situation of the household as at the date of commencement of the new tenancy.

Existing Tenancies:

Where rent is being reviewed arising from a change of circumstances in the household, assessable income will be reckoned by reference to the income situation of the household 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 household as at the first week of January of that year. Tenants will be advised in advance of the updated rents and the date on which it will be applied.

3. WEEKLY RENT CALCULATION

*(a) Principal Income**

The income of the highest earner in the household (regardless of whether they are the Tenant, Joint Tenant or Occupant) will be treated as the *Principal Income*. Otherwise, the *Principal Income* will be the –

- Income of Sole Tenant
- Combined income of Main Tenant and Joint Tenant(s)
- Combined income of Tenant/Joint Tenant and their spouse/civil partner/co-habiting partner.

The rent contribution will be calculated as follows*:

<i>Assessable Income of Principal Earner</i>	<i>Rent Fraction</i>
Up to €200	1 / 7
Over €200	1 / 6

*(b) Subsidiary Income**

All other income not specified in 3(a) above will be treated as *Subsidiary Income*. The rent contribution will be calculated as follows:

<i>Assessable Income of Subsidiary Earner</i>	<i>Rent Fraction</i>
Up to €30	Nil
Over €30	1 / 7

After the rent payable in respect of the Principal Earner(s) has been determined, one seventh of the income of each subsidiary earner which exceeds €30 will be added, subject to a maximum contribution of **€26** by each subsidiary earner.

(c) Maximum Economic Rent

*The calculations outlined at sections 3(a) and 3(b) above will not apply in circumstances where the net household income exceeds **€500**. Instead, the *Maximum Economic Rent* calculation will be used, as follows:

Maximum rent for households with a net income of €500 or less	€72
Income in excess of €500 (<i>rent fraction</i>)	1 / 20

The weekly maximum rent for households with a net income of €500 or less is €72. 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.

(d) Allowance for Dependent Children

Where rent has been calculated in accordance with sections 3(a) and 3(b) above, **€2.20** will be deducted from the weekly rent in respect of each child –

- who is 16 years or under, or
- who, being 21 years or under, is attending a full-time course of education, or
- who is wholly or mainly maintained by principal earner.

The allowance for dependent children will not be made in cases where the *Maximum Economic Rent* calculation is used.

(e) Minimum Rent

The minimum rent charged shall be **€17**.

(f) Rent Calculation for Senior Citizens (Aged 66 or over)

The rent contribution for persons aged 66 or over will be as follows:

(i) Living alone – standard rent	€26.90
(ii) Two or more senior citizens	
<i>first senior citizen</i>	€26.90
<i>each additional senior citizen</i>	€13.50
(iii) Senior Citizen(s) with Subsidiary Earner	
<i>first senior citizen</i>	€26.90
<i>each additional senior citizen</i>	€13.50
<i>Subsidiary income more than €30 (rent fraction)</i>	1 / 7
(iv) Where the Senior Citizen(s) are not the Principal Earner(s)	
<i>Principal income of €200 or less (rent fraction)</i>	1 / 7
<i>Principal income more than €200 (rent fraction)</i>	1 / 6
<i>first senior citizen</i>	€26.90
<i>each additional senior citizen</i>	€13.50

(g) Hardship Cases

In exceptional circumstances where it is deemed that payment of a rent calculated under the Scheme would give rise to hardship, the Chief Executive (or Delegated Officer) will have discretion to agree to a lesser sum.

4. REVIEW OF INCOME

The review of income will take place on an ongoing basis. The Tenant must notify the Council immediately of any change in income or household circumstances, particularly where this has a bearing on the calculation of the weekly rent.

5. MAXIMUM INCREASE

The increase in rent for households will not exceed **€10** per week within the calendar year (*January to December*), **except** in the following circumstances:

a)	New Tenancies	The full rent will be applied, as calculated in accordance with this Rent Scheme
b)	Transfer Tenancies	
c)	Where the change of circumstances relates to a new adult member joining the household	
d)	Where Tenant fails to return form and information required as part of the Annual Rent Review	An increase of €20 will be applied [<i>See Section 6</i>]

6. ANNUAL RENT REVIEW

The Council will carry out a Rent Review each year. As part of the annual review, tenants will be required to submit details of the current household composition and income.

Where a tenant has submitted the necessary details as part of the annual review, the maximum increase of **€10** will apply, except where the increase relates to a new adult member joining the household, in which case the full rent increase will be applied.

Where a Tenant fails to return the completed form and the information necessary for the accurate calculation of rent, an increase of **€20** will be applied. The increased rent amount will remain due until such time as the Tenant submits the required information to the Council.

7. 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, with amounts of 5c or greater being rounded up.

8. ASSESSABLE INCOME

Income from the following sources will be assessed in full, but reduced by Income Tax, Universal Social Charge, PRSI and Pension Related Deduction (excluding normal pension scheme contributions).

- (a) Income from employment, including self-employment.
- (b) All social insurance and social assistance payments, allowances and pensions, except payments listed at *sections 9 and 10* 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*, excluding overtime. All other regular remuneration is included.
- (e) *Maintenance payments* under a separation agreement are treated as income for rent calculation 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 husbands, wives, civil or co-habiting partners are treated as one to determine if the combined income is greater or lesser than that of any other person in the household. If the combined income is the greater, these persons will be treated as the *principal earner*. If another person has a higher income than the combined income, that person will be treated as the *principal earner* and the income of the husband, wife, civil or co-habiting partners, will be treated separately as *subsidiary earners*. This applies to all tenants irrespective of whether they are both named on the tenancy agreement or not, 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.

9. INCOME DISREGARDS – FULL

Income from the following sources is disregarded in full in the calculation of rents:

- (a) Children's Allowance, Orphan's Allowance or Orphan's Pension payable under The Social Welfare (Consolidation) Act, 1981
- (b) Scholarships
- (c) Allowances payable under the Boarding Out of Children Regulations 1954 – Foster Care Allowance – Guardian Payment
- (d) Allowances for Domiciliary Care of Handicapped Children under The Health Act, 1970
- (e) Lump Sum Compensation Payments
- (f) Youth Reach Allowance is disregarded in full up to the age of 18 (thereafter it is disregarded to the extent to which it exceeds the Basic Social Welfare entitlement of the recipient)
- (g) Living Alone Allowance and Over 80 Allowance
- (h) Blind Supplementary Welfare Allowance.

10. INCOME DISREGARDS – PARTIAL

Income amounts *in excess of the basic social welfare rate* paid by the Department of Social Protection in respect of the following schemes and allowances will be disregarded:

- (a) Carer's Allowance
- (b) National Internship Scheme
- (c) Tús Scheme
- (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.