

COMHAIRLE CONTAE NA GAILLIMHE

Galway County Council

Differential Rent Scheme 2017

1. Effective Date

This Scheme shall apply to all dwellings let by Galway County Council, including those which were originally owned by the now dissolved Ballinasloe Town Council, as and from 11th March, 2017 and shall be reviewed annually or within such other period as the Council may decide. This Scheme shall replace and supersede all existing differential and graded rent schemes for the jurisdiction of Galway County Council.

2. Implementation

Rents of dwellings let on the differential rent will be calculated in the manner set out in this Scheme as a proportion of the assessable income of the principle earners together with a contribution from any subsidiary earners in the household. Rents will normally be based on certified income at the current rate for existing tenancies. In determining rent in the case of a new or transferred tenancy, assessable income will be reckoned by reference to the income immediately prior to taking up residence in the new or transferred house.

3. Definitions

- a) Assessable income is income from the following sources, reduced only by pay-related social insurance contributions and any income tax paid:-
 - *Income from employment including self-employment*
 - *Income from social insurance and social assistance payments, allowances and pensions, Health Board allowances and Training Schemes.*
- b) Income of an employed person is, in general, the normal weekly rate of remuneration, except that overtime, shift allowances and occasional lump sum bonus payments are excluded. All other regular payments in the nature of pay are included.
- c) A **tenant(s)** is deemed to be a person that *has* signed the most recent tenancy agreement. They are considered to be *principle earners* and their rent is calculated in accordance with section 5(a).

- d) An **occupant(s)** is deemed to be a person who has *not* signed the tenancy agreement. They are considered to be *subsidiary earners* and their rent is calculated in accordance with section 5 (b).

4. Income Disregarded

Income from the following sources is disregarding for the purpose of calculation of rents;

- ❖ Children's Allowances, Foster Care Allowance (formerly known as Orphan's Allowances or Orphan's Pensions).
- ❖ Scholarships and Higher Education Grants.
- ❖ Allowances payable under the Boarding out of Children's Regulations 1954.
- ❖ Allowance for domiciliary care of handicapped children under the Health Act, 1970
- ❖ Allowances received from any charitable organisations
- ❖ Lump sum compensation payments
- ❖ Infectious diseases maintenance allowance.
- ❖ Fuel Allowance
- ❖ Increased income as a result of participation in Community Employment Programmes
- ❖ Living Alone Allowance

5. Calculation of Rent

The rents of dwellings let on weekly differential rent will be determined as follows:-

- (a) **17 Euros** Rent up to **100 Euros** income plus **20 cents** per **1 Euro** thereafter, less allowance of **1 Euro 50 cent** per child, subject to the minimum and maximum as outlined in Section 6.
- (b) For each subsidiary earner in the household, one seventh of net income exceeding **25 Euros** will be added to the rent, subject to a maximum of **16 Euros** for each subsidiary earner.
- (c) Allowances shall be made for each dependent child, aged 16 years or under, or who, being under 21, is attending a full-time course of education and is wholly or mainly maintained by the principal earner. The allowance amounts to a deduction from the weekly rent of €1.50 each for child.
- (d) As and from 25th October 2014, an additional charge of €2 per week will be added to the rent on all Council owned properties as a contribution towards the Council's liability for payment of the Local Property Tax which arises from the Finance (Local Property Tax) Act 2012.

The following exceptions shall apply

- (e) In the case of an OAP tenant (aged 66 or over, contributory and non-contributory), a rent of **€25** shall apply.
- (f) In the case of an OAP (aged 66 or over, contributory and non-contributory) and a qualified adult, both tenants, a rent of **€45** shall apply (€25 plus €20 respectively).
- (g) In the case of both tenants being OAPs (aged 66 or over, contributory and non-contributory), a rent of **€50** shall apply (€25 plus €25 respectively)
- (h) In the case of an OAP tenant (aged 66 or over, contributory and non-contributory) and a tenant with an income, a rent of **€25** shall apply for the OAP and the rent for the income earning tenant shall be calculated in **accordance with section 5(a)**.
- (i) In the case of an OAP tenant (aged 66 or over, contributory and non-contributory) and an occupant who is a subsidiary earner, a rent of **€25** shall apply for the OAP and the rent for the occupant shall be calculated in **accordance with section 5(b)**.
- (j) If the only income for the household belongs to an occupant, then the rent for the tenant shall be based on the basic unemployment benefit rate plus any child dependency allowances. The rent for the occupant shall be calculated in accordance with section 5(b).
- (k) In the case of a tenant on a “back to work” scheme, the rent is based on the basic unemployment benefit rate plus any child dependency allowances, in accordance with section 5(a).

6. Maximum and Minimum Rents

Maximum Rent

Where the rent determined under Section 5 above is greater than **130 EUROS**, then a maximum weekly rent of **130 EUROS** shall apply.

Minimum Rent

Where the rent determined under Section 5 above is less than **25 EUROS**, then the minimum weekly rent of €25 will apply.

7. Fixed Rents

Demountables & Prefabs shall have a fixed rent of €20 per week.

Demountables with Families - €25 per week.

8. **Hardship**

- (a) In exceptional cases, in the opinion of the Council, where payment of rent calculated under Section 5 above gives rise to undue hardship, the Council may agree to accept a lesser rent for a specified period. The tenants must first seek the help of the Money Advice and Budgeting Service (MABS) and the Department of Social Protection. Extraordinary expenses must be shown i.e. medical expenses and the recommendation of the Revenue Collector may be sought.
- (b) Should the application for a reduction in rent be refused by the Rents' Department, the tenant will have 28 days from the date of the decision to appeal the decision to an Officer of the Housing Department of a grade not lower than a grade 7 and will be informed of same in the refusal letter.
- (c) Should a reduction in rent be granted, the tenant shall be notified in writing. As per their Tenancy Agreement their new rent will commence after the giving of 1 weeks' notice in writing. A credit of the difference between the old and new rent will be given back to the date that all the information was received in the Housing Office. The reduction in rent shall expire at the end of the Rent Assessment Year or at the end of any other specified period which the Deciding Officer deems appropriate. If the tenant is in arrears of rent at the time of the reduction being granted they must first sign an arrears agreement form with the Revenue Collector to pay a sum of money in addition to the reduced rent amount to clear their arrears over a period of time.

9. **Miscellaneous**

- (a) In accordance with the Tenancy Agreement tenants should notify the Rents Department immediately of any changes in income or family circumstances. Galway County Council reserves the right to retrospectively adjust the rent or impose the maximum rent where a tenant fails to notify the Rents Department of an increase in household income.
- (b) It should be noted that the Council reserves the right to impose the maximum rent or assume an income for the purpose of assessment in the event that the tenant fails to provide information when requested to do so.
- (c) As per the Tenancy Agreement tenants are required to notify the Rents Department immediately when there is a **change in household circumstances**. When this occurs, their new rent will commence after the giving of 1 weeks' notice in writing. Where the change results in a reduction in rent, the reduction will be applied from the date the Housing Office received notification in writing of the change in circumstances.

Only in **exceptional** circumstances where compassionate grounds arise will a credit be given back to when the incident occurred i.e. death, admission to a nursing home, serious illness.

- (d) All rents calculated under this Section, shall be rounded up or down to the nearest **10 CENTS**.