



# **TULLAMORE TOWN COUNCIL**

## **DIFFERENTIAL RENT SCHEME**

**2010**

**HOUSING (MISCELLANEOUS PROVISIONS) ACT 2009**

*Adopted 8<sup>th</sup> April 2010*

## Scope of Scheme

The Scheme applies to any dwelling provided by Tullamore Town Council under the Housing Acts 1966 to 2009 or Part V of the Planning and Development Act 2000 of which Tullamore Town Council is the owner, or of which Tullamore Town Council is not the owner and which is provided under a contract or lease between the housing authority and the owner of the dwelling, including a rental accommodation agreement.

Charges to be determined under this Scheme generally relate to rent for the tenancy or occupation of a dwelling only and will not include charges relating to the provision of services to, and insurance of, a dwelling and other charges relating to the management and control of the dwelling.

Certain charges may be levied for thermal heating applied to OPD schemes, bin and utility charges for halting sites and other charges agreed with Voluntary Housing Bodies for the management of social housing stock under service level agreement with Tullamore Town Council.

## Commencement Date

This Rent Scheme is made in accordance with s.31(5) of the Housing (Miscellaneous Provisions) Act 2009 to replace all existing Rent Schemes and with effect from 24<sup>th</sup> April, 2010. The Scheme will be subject to an annual review.

## Differential Rent

Rents will be calculated as a percentage of **Assessable Principal Income** together with a contribution from any **Subsidiary Income** in the household. Means other than income are disregarded.

## Principal Income

The Principal Income is the income of the tenant(s) and also the income of his / her spouse / partner normally resident in the house.

## Subsidiary Income

Subsidiary income is income of other all members of the household other than the tenant(s) and his / her spouse / partner. (Including adult children in receipt of social welfare or other assessable income)

## Definition of Assessable Income

The Assessable Income of either a Principal Earner or a Subsidiary Earner is considered a person's normal weekly / monthly wage / salary and / or social welfare payment, less income tax, income levy and PRSI payments (where applicable). All income including shift allowances, bonus, commission and overtime are included as Assessable Income.

Income from the following sources is assessed in full for rent purposes:

- (i) Income from employment including self-employment. In the case of the self-employed the most recent Notice of Assessment is required.
- (ii) Social insurance and social assistance payments, allowances and pensions allowances, including all qualified child payments and Family Income Supplement. . In the case of social welfare income which is reduced due to a previous overpayment by The Department of Social & Family Affairs, the reduction is not taken into account when calculating the rent which is assessed on the full rate.
- (iii) Carer's Allowance: For a sole tenant where Carer's Allowance for a child / spouse is the only assessable income, the minimum rent will apply. Where the sole tenant / joint tenants are in receipt of social welfare income and / or income from employment in addition to Carer's Allowance, only the income from social welfare and / or employment will be assessed for rent.
- (iv) HSE allowances,
- (v) FAS training and employment programme allowances.
- (vi) Income from any pensions not included in No. (ii) above, irrespective of source.
- (vii) Maintenance Payments

Income from the following sources shall **NOT** be regarded as Assessable Income for the purpose of calculation of rent:

- (i) Child Benefit or Guardian's Payment (Contributory / Non-Contributory)
- (ii) Scholarships and / or Higher Education Grants.
- (iii) Foster Care Allowance.
- (iv) Domiciliary Care Allowance.
- (v) Allowances or assistance received from any charitable organisation.
- (vi) Fuel Allowance.
- (vii) Living Alone Allowances.

Where the Principal or Subsidiary Earners have more than one source of assessable income e.g. employment and social welfare, both incomes will be added together and the total income will be assessed for rent purposes.

## Rent Reviews

The Rent Scheme will be reviewed each year and amended as appropriate. Tenants will also be requested to submit current details of certified income during the annual review process which generally takes place in the summer months.

Where a tenant(s) fails to submit income / household details when requested by Tullamore Town Council the rent will be automatically increased to the maximum rent amount.

In the case of a new or transferred tenancy, rent will be calculated on the basis of the certified income of the household as at the date of commencement of the tenancy. **Tenants must notify Tullamore Town Council immediately of any changes in income or in family circumstances..** Failure to do so will result in rent being backdated to the date the income changed and arrears applied accordingly.

## Allowance for Dependent Children

An allowance of €10.00 per week is made for each dependent child under 18 years or under 21 years in the case of dependent children who are attending a full-time course of education and wholly or mainly maintained by the tenant(s).

## Calculation of Rent

Weekly rents will be determined as follows:-

22% of the **Principal Assessable Income** in excess of €70 in the case of one principal earner.

### OR

22% of the **Combined Principal Incomes** in excess of €110 in the case of more than one principal earner.

### PLUS

22% of any **Subsidiary Assessable Income** in excess of €70 to a maximum of €25.

The total rent calculation should not exceed the maximum rent referred to in the section below nor will it be less than the minimum rent also specified below.

## Capping of Rent Increases

In the event of a rent increase exceeding 50% of existing rent, the increase will be capped at 50% of the existing rent. Regard will also be had to the maximum and minimum rents outlined below. This capping will not apply in instances where a material change in circumstances / household income has arisen.

## Minimum Rents from 24<sup>th</sup> April, 2010

€7.50	-	Flat rate for Bays in Kilcruddin Permanent Halting Site
€19	-	Older Persons Dwellings (OPD's)
€25	-	2 bed family type dwelling or apartments
€31	-	3 bed or larger family type dwelling

## Maximum Rents

The weekly maximum rent of each dwelling will be calculated on the basis of 5.25% of the replacement value assigned to each dwelling divided by 52.

## Hardship Cases

In exceptional circumstances where payment of a rent calculated according to the Scheme would in the opinion of the Council give rise to hardship, the Council may at its discretion agree to accept a lesser sum from a tenant for a specified period. However each case will be examined individually on its own merits

## Rounding Up and Down

All rents when calculated in accordance with the Scheme will be rounded up or down to the nearest Euro – i.e. 0.50c or over will be rounded up and 0.49c or under will be rounded down to the nearest Euro.