

OAKLEE HOUSING DIFFERENTIAL RENT SCHEME

April 2016

MemorandumVHU: 2/02 ,May, 2002 from the Department of the Environment places the responsibility on Voluntary Housing bodies for making and amending rent schemes in respect of dwellings let under the Capital Loan and Subsidy Scheme.

1 Commencement Date

This Scheme will apply with effect from 7th August 2004 and was amended from 7th April 2014.

2 Method of Calculation of Rent

Each household's rent is calculated as a percentage of the household income.

- The first €102.00 of the net income of the household is disregarded.
- 20% of the applicable income is added to the minimum rent of €13.00
- €1.27 is deducted for each eligible child
- A minimum of €10.00 and a maximum of €20.00 will be added for each subsidiary earner. (non – dependant children or other individuals living in the property)

The rent of dwellings let on Differential Rent will in all cases be calculated on the basis of current income at the time of the Rent Assessment.

3 Minimum Rents

The minimum rent is **€13.00**.

4 Income included in rent assessment

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

- (a) Income from employment, including self-employment.
- (b) All social insurance and social assistance payments, allowances and pensions, health board allowances and FAS training allowances.
- (c) Income from any pensions or other sources not included at (a) or (b) above including approved / agreed maintenance payments from another person.

4.1 *Income of an employed person*

The assessable income of an employed person is, in general, the Nett average weekly wage ie Employee Pay Related Social Insurance contributions (where payable) and any income tax payable on such income are excluded.

Nett overtime payments, shift allowances, bonuses, commission, etc., are included in the calculation of rent.

4.2 *Income of a self-employed person*

In the case of self-employed persons, income will be determined on the basis of the submission of satisfactory documentary evidence of income.

4.3 *Dependant Children*

Assessable income will be reduced by €1.27 per dependant child. A dependent child is a person under 18 years that is not in receipt of any income, or who being under 23 years, is attending a full time course of education and is wholly or mainly maintained by household.

5. Income excluded from rent assessment

Income from the following sources is disregarded for rent purposes:

- (a) Child Benefits, Orphans Allowances, Orphans Pensions payable under the Social Welfare (Consolidation) Act of 1981 and any other Social Welfare Allowances payable to children under 18.
- (b) Scholarships, Higher Education Grants.
- (c) Allowances payable for fostering children.
- (d) Allowances for domiciliary care of disabled children.
- (e) Any income accruing to a member of a household as a result of the payment of a Carer's Allowance.
- (f) Allowances or assistance received from any charitable organisation.
- (g) Extra Allowance for people aged 80 or over payable under certain categories of Social Welfare income.
- (h) Dietary and mobility allowances paid by the Health Board.
- (i) Heating/Fuel Allowance.
- (j) Court approved maintenance payments to another person.

5.1 *Maintenance Payments*

Where a person provides documentary proof i.e legally binding written agreement / deed / court order, that he or she is paying a periodic sum of money to another person as a separated spouse or partner, then the Housing Trust will deduct this sum of the income of the person being assessed for rent. Where a person is in receipt of a periodic sum which is being paid to him or her as a separated spouse or partner of another person, then the Housing Trust will take that sum into account as part of that person's income for the purposes of rent assessment. Evidence of payment will be required.

6. Maximum Rents

The maximum rent for a household (not including subsidiary earners) is as follows;

- **€100.00** for a single/ single parent household

- €125.00 for several person household

NB: The income of additional subsidiary earners who reside in the property will be added to this maximum rent limit.

The maximum rent limits will be reviewed and increased/ decreased annually when the annual rent assessment takes place.

7. Annual Rent Review

The Trust will request that each tenant give up to date information as to the make-up and income levels of each household. Full and accurate responses to this request are a requirement of the Tenancy of each rented dwelling.

In cases where Tenants do not reply to the Review request by the dates given, a penalty rent may be applied.

8. Penalty Rents

The Trust reserves the right to apply a penalty rent of €150.00 due to failure to comply with requests for the return of rent assessment forms and documentary proof of earnings income.

Penalty rents will only be removed upon receipt of all required documentation. Rent changes will be applied from the date of receipt of documentation.

9. Changes in Income or Household Circumstances

It should be noted that where the Trust specifically requests the return of particular income details, it reserves the right in the event of failure on the part of a tenant to supply that information to assume an income for the purposes of rent assessment.

Where a Tenant wishes to include a person on their rent account, the Tenant is obliged to advise the Trust immediately. Under no circumstances will anyone be allowed to move into a Trust dwelling unless approval is given by the Trust in writing to the Tenant. The revised rent will be assessed on the basis of this scheme.

10. Hardship Clause

The Chief Executive may consider applications from tenants who, due to extenuating exceptional circumstances are having difficulty paying their rent or where the payment of rent would give rise to excessive hardship. The Chief Executive, having considered all circumstances in the case may authorise a reduction in the rent assessed under this scheme by up to 25% for a specified period in respect of the said household. Each case will be considered under its own merits.

11. Household Budget

It will be the policy for all new lettings that, where appropriate, the tenant will be asked to sign a Household Budget deduction form.