

WATERFORD CITY & COUNTY COUNCIL RENTS SCHEME 2020

This scheme will apply with effect from **Monday 2nd November 2020** and supersedes all existing fixed & differential rent schemes in Waterford City & County.

The scheme will apply to all of the Council's tenants including tenants in RAS, HAP and Long-Term Leased properties.

- **Principal Earner** – is the adult person, either the tenant or any other adult normally resident in the household, who is in receipt of the highest assessable income within the household.
- **Subsidiary Earner** – is any other adult member of the household, other than the principal earner, who has an income.

1. CALCULATION OF RENT

Differential rent will be calculated based on a percentage of the assessable income of the principal earner and on a percentage of the assessable income of any subsidiary earner(s) in the household.

Principal Earners Calculation

The principal earner's calculation will be based on the actual assessable income and the relevant percentage based on the income ranges in table 1.

Table 1 below shows income bands, and the percentage (%) to be applied based on the principal earners assessable income.

Table 1

| Income Range | Proposed Rent based on % of principal earners income |
|----------------|--|
| Up to €250 | 13 |
| €251 - €350 | 14 |
| €351 - €425 | 15 |
| €426 - €599 | 16 |
| €600 - €699 | 18 |
| €700 - or more | 20 |

Subsidiary Earner Calculation

The rent charged for each subsidiary earner will be 10% of total income with no cap.

When the rent has been calculated it will be rounded up or down to the nearest euro.

2. ASSESSABLE INCOME

The definition of what constitutes “**reckonable income**” for differential rent purposes will be the same as that defined as “income that is assessable” as set out in **Section 3** of the **Household Means Policy** (issued under Regulation 17 of the Social Housing Assessment Regulations, 2011). - See Appendix 1

3. DISREGARDED INCOME

When calculating the reckonable household income certain categories of income (eg. Carers Allowance *) will be disregarded by the Council. This list of income sources to be disregarded is that same as that defined as “income that is not assessable” in **Section 4** of the **Household Means Policy**. - See Appendix 1

* Note: In the case where a Carers Allowance is the sole income in the household, the rent will be calculated at the minimum rent of €26.00 per week.

4. HARDSHIP CLAUSE

In exceptional circumstances, where payment of a rent calculated would, in the opinion of the City & County Council, give rise to hardship, the Council may agree to accept a lesser sum from a tenant for a specified period.

The household must avail of the services of Waterford’s Money Advice & Budgeting Service to be considered for this relief. Such lesser sum shall not be less than 7% of the household income or a rent of €26.00. In all cases Waterford City & County Council reserves the right to grant the hardship clause and to determine its length.

5. HAP SPECIFIC HARDSHIP CLAUSE

Where a household is in receipt of HAP (Housing Assistance Payment) Support a HAP specific hardship clause may be applicable when

- A)** The Hap monthly payment to the HAP landlord has already been increased to the maximum prescribed limit plus 20% and
- B)** the tenants weekly outgoing on rent still exceeds 30% of their total weekly income. The tenants total weekly outgoing on rent is calculated as the differential rent paid to the Housing Authority and any additional rent payment made to the landlord.

In such cases the Housing Authority may agree at their discretion to accept a smaller differential rent for a specified period of time from the HAP tenant.

6. REVIEW OF INCOMES

Under their tenancy agreements with the Council, tenants are required to provide the Council with details of their income and the income of each occupant who is living with them. Tenants are also required to immediately notify the Council of any change in their income and the income of other occupants. Failure to notify the Council of any changes to incomes can result in a penalty rent being applied.

7. PENALTY RENT

A penalty rent can be charged where tenants do not return the necessary forms or proofs of income and other requested documentation to facilitate calculation of rent. Similarly If a tenant fails to respond to the annual rent review within the time specified, the Council will apply a penalty increase of 30% to the tenant’s existing rent and the penalty rent will continue to be applied until the response to the review is received by the Council.

8. MINIMUM & MAXIMUM RENTS

The minimum rent under this Scheme will be €26.00 based on the basic Social Welfare rate of payment of €203.00.

There will be no maximum rent for a household.

9. FIXED RENTS

Where a fixed rent applies to a dwelling, the rent will not be increased in 2020.

10. DEMOUNTABLE

Demountable €14.50

Appendix 1



Comhshaol, Oidhreacht agus Rialtas Áitiúil
Environment, Heritage and Local Government

Social Housing Support

Household Means Policy

issued under Regulation 17 of the Social Housing Assessment Regulations, 2011

Approved by the Minister for Environment, Heritage and Local Government,
30 March 2011

1. Background and purpose of Household Means Policy

This policy sets out the manner in which housing authorities will assess the means of applicant households for the purpose of determining the household's ability to provide accommodation from its own means and by extension its eligibility, or otherwise, for social housing support.

The requirement to adhere to the household means policy in assessing applicants for social housing support is set out in Regulation 17 of the Social Housing Assessment Regulations, 2011, which provides that *the income of a household shall be calculated for the purposes of these Regulations in accordance with written guidance issued by the Minister to housing authorities (in these Regulations referred to as a "household means policy")*.

2. Income assessed is net income

The income threshold is the basic measure of whether a household is eligible for social housing support. The determination of whether an applicant household meets the income criteria is based on a calculation of net income. Net income means that income tax, Universal Social Charge, Pension-Related Deduction within the meaning of Financial Emergency Measures in the Public Interest Act 2009, and PRSI are deducted from the relevant assessable gross income. The income of all persons aged 18 years and over included in a social housing application shall be assessed for the purposes of determining whether an applicant household meets the income requirements.

3. Income that is assessable in considering social housing applications

Subject to what follows in the paragraphs below, the following incomes are assessable for the purposes of assessing eligibility for social housing support

- income from employment including overtime, bonuses and commissions;
- overtime payments, commissions and bonuses will be assessable as follows:
 - overtime – generally restricted to a maximum of 10% of basic income, but regular overtime may be taken into account ;
 - bonus – restricted to a maximum of 10% of basic income;
 - commission – restricted to a maximum of 30% of basic income, where applicable;
- income from self-employment;
- maintenance payments received, (subject to the criteria set out in the guidance notes which accompany this means policy)
- income from rental properties, dividends, capital investments and other similar sources of income;
- occupational and social welfare pensions, from whatever source, including from abroad, and
- with the exception of the specific payments listed in paragraph 4 below as being disregarded, all income from social insurance and social assistance payments, allowances and benefits, including Family Income Supplement, is assessable.

4. *Income that is not assessable*

In assessing household income for the purposes of the household means policy, a housing authority may decide to disregard income that is once-off, temporary or short-term in nature and which is outside the regular pattern of a person's annual income.

Income from the following sources shall, in all cases, be disregarded for the purposes of assessing income:

- child benefit or guardian's payment;
 - exceptional or urgent needs payments;
 - carer's allowance;
 - scholarships or higher education grants;
 - foster care payments;
 - domiciliary care allowance;
 - allowances/assistance from charities;
 - fuel allowance;
 - mobility allowance;
 - living alone allowance;
 - rent or mortgage interest supplements; and
 - payments under FÁS schemes.
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