

**LOUTH COUNTY COUNCIL**

**HOUSING RENTS SCHEME 2021**

**1. Effective Date**

This scheme will apply with effect from week commencing 9<sup>th</sup> September 2021. This scheme supersedes all other Rent Schemes and deals with all rent changes notified to the Council from the date of this scheme.

**2. Income Related Rents**

(a) Rents on dwellings (including permanent halting site bays) let on Income Related Basis will be calculated in accordance with clause 3 below as a proportion of the assessable principal household income (as defined below) together with a contribution from subsidiary incomes in the household.

**(b) Assessable Income - Employed Persons**

Income from the following sources, assessed in full:-

(i) **Reckonable Household Income includes the following:**

(a) income from employment as an employee and from self-employment, including all regular allowances (excluding overtime), but including benefit-in-kind and directorships.

**“Assessable income” for an employed person** is the gross pay, less tax, pay related social insurance, universal social charge and Additional Superannuation Contribution. Proof will be by way of Certificate of Income signed by the employer and/or 3 recent payslips. A P60 or P21 from Revenue may also be required.

(b) rental and other income from land or property;

(c) income from pensions;

(d) income from savings, deposit accounts and investments; and

(e) maintenance payments, for a previous partner or child, whether under a formal or an informal arrangement or whether procured by way of Court Order or otherwise.

## Assessable Income Social Welfare

(f) all social welfare payments, including family income support payments, but excluding those listed under 2 (c) non-assessable income.

(g) payments by Government Departments or State agencies, excluding those listed under 2 (c) non-assessable income

(h) rental and other income from land or property

(i) income from pensions

(j) Income from savings, deposit accounts and investments; and

(k) Maintenance payments, for a previous partner or child, whether under a formal or an informal arrangement or whether procured by way of Court Order or otherwise.

### (ii) Self-employed persons

If satisfactory documentary evidence\* is not received or persons become self-employed after the commencement date of this scheme, rent will be assessed based on the assumed incomes below. Self-employed income will not be deemed to be below the basic social welfare for the equivalent household size.

**Incomes will be determined on the basis of the assumed incomes listed below:-**

<b>Occupation</b>	<b>Assumed Weekly Net Income</b>
Taxi Drivers – Licence Plate Owners	€450
Tradespeople	€470
Non Trade / Other Business	€470

\*satisfactory documentary evidence is deemed to be a Form 11 and Assessment Letter from the Revenue Commissioners.

### (iii) Income from the following sources is partially disregarded as specified below:-

**Partial Disregards – that amount in excess of the reference rate (basic social welfare rate) of payments made by the department of Social Protection in respect of: (Items (a) to (j))**

- a) carer's allowance / benefit – full-time basic rate (Half time rate is fully assessable)
- b) national Internship scheme

- c) tús scheme
- d) rural social scheme
- e) community employment scheme
- f) youth reach training allowance
- g) gateway Council labour activation scheme
- h) back to education allowance
- i) vocational and educational schemes provided by the State
- j) Back to Work Scheme Enterprise Allowance Scheme - if registered on a (BTWEA), the rent shall not be increased by virtue of being self-employed. The BTWEA is not reckonable as assessable income in the calculation in the differential rent, for a maximum of 2 years only. Rent shall be assessed on the basis of the income from self-employment only.

- (iv) **Failure by the tenant to supply income details:** It should be noted that where the Council specifically requests the return of particular income details it reserves the right in the event of the failure on the part of a tenant to supply that information to assume an income for the purpose of assessment.

**(c) Non-Assessable Income**

- General: (k to (p)**
- k) fuel allowance
  - l) living alone allowance
  - m) over 80's allowance
  - n) child benefit, guardian's payment, orphans allowances, orphans pensions
  - o) fostering allowance for children
  - p) exceptional needs payments
- Medical: (q) to (w)**
- q) domiciliary care allowance
  - r) respite care grants
  - s) blind welfare allowance
  - t) mobility allowance
  - u) home care grant
  - v) dietary allowance
  - w) boarding-out payments
- Education: (x to z)**
- x) higher education grants and student grants
  - y) allowances under the home tuition scheme
  - z) educational grants to parents attending primary school in Gaeltacht areas

**Other (aa) to (dd)**

- aa) maintenance payments - where a tenant is paying maintenance to a previous partner or children, on foot of a court order or legally binding agreement, and produces proof of such payment, that element of net income will be disregarded for rent assessment purposes.
- bb) Rent and mortgage interest supplements
- cc) Miscellaneous payments described under Appendix 1
- dd) Back to Work Scheme Enterprise Allowance (BTWEA) - if registered on a BTWEA Scheme, the income from the BTWEA is not reckoned as assessable income in the calculation of the differential rent, for the period the person is in receipt of the allowance, to a maximum of 2 years,

(d) **Principal Household Income** is the aggregate income of the Tenants in the case of a joint tenancy or the aggregate income of the Tenant and spouse / partner in the case of a single tenancy.

(e) **Basic Rent** is the rent calculated in accordance with the terms of this Scheme on the Principal Household Income.

(f) **Subsidiary Income** is all other household income not included at (d) above. Where the subsidiary earner is **registered as an apprentice** and undergoing an apprenticeship training course, their income from employment will be assessed as equal to a basic social welfare income for the equivalent age of the person if single, or family size if not. Proof of an apprentice scheme must be provided.

### 3. **Calculation of Basic Rents**

- (a) **The Basic Rents** of dwellings let on an Income Related Basis will be determined by reference to the following scales of assessable income (calculated in accordance with clause 2 above) to which the allowances for dependent children and rent percentages hereunder should be applied. In the case of a sole tenant aged under 26 and in receipt of Social Welfare income only, basic rent will not be more than 11% of the nett assessable income.

<b>Assessable Principal Weekly Income of Household</b>	<b>Rent Percentage</b>
€	
(1) Up to €253.99	11%
(2) €254– €306.99	13%
(3) €307 - €381.99	15%
(4) €382 or over	16%

**(b) Dependant Children**

An allowance of **€15.00 per child** shall be made for dependent children.

For the purpose of this scheme a dependent child is:-

- a child who is under 18 who has no independent means, or
- a full-time student under 23 who is wholly or mainly maintained by the tenant(s)/principal earner, or
- who being over 18 and under 23 years of age and has no independent means and is wholly or mainly maintained by the Tenant(s)/principal earners.

**4. Subsidiary Income**

In addition to the basic rent in respect of the principal household income, one-seventh of the assessable portion of each subsidiary income shall be added, subject to a maximum contribution of **€19.00** from each subsidiary income. For income to be disregarded from a subsidiary earner who is participating in an apprenticeship scheme, see **Section 2 (f)** for income to be disregarded.

**5. Maximum Rent for Pensioners**

For tenants in receipt of only an Irish contributory or non-contributory State Pension the maximum rent shall be **€25.00** per week for a single person or the equivalent current basic social welfare rates in the case of a joint tenancy or a tenant plus spouse/partner. Rents shall increase in line with the minimum rent in the case of a single person and the equivalent basic social welfare rates for a single adult plus an adult dependant in the case of a joint tenancy, or a tenant plus spouse/partner.

**6. Minimum Rent**

Subject to clause 8, the minimum weekly rent of any house shall be €25.00.

**7. Hardship Clause**

In exceptional circumstances where payment of a rent calculated in accordance with this Scheme would, in the opinion of the Council, give rise to hardship, the Authority may agree to accept a lesser sum from the Tenant, subject to review from time to time. For further information and accompanying application form for a reduction in rent due to hardship, see **Appendix 2**.

**8. Special Clause – Maximum Rate**

The Council may, in its absolute discretion, determine a higher rent than that provided for in this scheme where in its opinion this would be justified on account of an exceptionally high household income in any individual case.

**9. Review of Income – Rent Review**

Rent will be assessed annually. The Tenant must notify the Council annually of any changes in household income or in family circumstances which would affect the rent calculation. Notification will be by way of completion of a rent form and submission of this to the Council, with proofs of income for all members of the household. New rent will be effective from the rent review date and no debits or credits will be applied.

**Interim Rent Assessments**

If the tenant experiences a permanent change in household income during the year, for example, either an increase in income by becoming employed or receiving additional social welfare benefits, or a decrease in income by becoming unemployed or a loss of a social welfare benefit, the tenant is required to inform the Council within 4 weeks of the change.

When the documentation is received, unless the income has increased or decreased by 20% or more of the previous principal household income, no rent assessment will be carried out.

**Increase in Income:**

If the change in circumstances results in an increase in household income, the tenant must inform the Council within 4 weeks of the change. A backdate in rent will be applied to the date of change in circumstances.

**Decrease in Income:**

If the change in circumstances results in a decrease in income, the tenant must inform the Council within 4 weeks of the change. A backdate in rent will be applied from the date of the change in circumstances only where the Council has been informed within the 4 week period, otherwise it will be applied to the date of notification only.

**Short Term Sick Leave** - In the case of a Tenant being on short term sick leave (less than 4 weeks) there will be no rent assessment carried out and no credit given for the duration of the sick leave payment.

**Undeclared Income** - In cases where the Council may have reason to believe that income may have been intentionally undeclared a full review may be undertaken and backdated rent applied to the date of commencement of such income.

**Subsidiary Earners** - If the number of subsidiary earners reduces during the year, and this is a permanent situation, the tenant should contact the Council to have their rent reassessed. A rent form must be completed, and a signed 'Removal of Tenant/Occupant Declaration' supporting the claim submitted within 4 weeks of the date of the change. If the tenant does not inform the Council within 4 weeks of the change, and provide the completed declaration, the change will only apply from the date of notification, and the backdate will only be back to the date of notification.

**Seasonal Workers** – Tenant's income will be averaged out over the year. P60/P21 required for proof of income.

**10. Penalty Rent**

During a Rent Review, where a Tenant fails to submit income / household details when requested by the Council, the rent will be automatically increased by €50.00 per week with effect from the rent review date. This penalty will not

be removed for the period of time before the tenant submits the required information.

#### **11. Permission to Reside**

Under no circumstances will anyone be allowed to move into a social dwelling unless approval is given by the Council in writing to the Tenant(s). In the case of a person who wishes to move into a social dwelling the Tenant(s) are obliged to complete a Permission to Reside form. The revised rent will be assessed in accordance with the terms and conditions of this Scheme. Failure to supply details required for Permission to Reside applications will result in penalty rent of an increase of €50.00 per week on the tenant's current rent. This penalty will not be removed for the period of time before the tenant submits the required information.

#### **12. Fixed Rents**

All fixed rents shall be €60 per week. Tenants on fixed rent will be offered the option of going on to Income Related Rent. This should ensure that rent increases will not entail hardship in any case.

#### **13. Mesne Rate**

Where an application for a succession to tenancy has been received, a mesne rate equivalent to minimum rent will apply as a charge for the use and occupation of a dwelling, until such time as a new tenancy agreement has been signed. In the event of the refusal of a succession application, the mesne rate will remain due for the period of time that the applicant has been in occupation of the property and is non-refundable. Non discharge of the mesne rate will result in its recovery as a simple contract debt in court of competent jurisdiction.

#### **14. Maintenance/Management Fees**

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Tenancies allocated in development / schemes where a management and or maintenance charge applies to such properties - will attract a payment that will be calculated as an additional charge and form part of the final rent due on any such tenancy. The charge may vary for individual developments and will be determined based on the charges applied for each individual development. The minimum payment per tenancy will be two euro per week with a weekly cap of five euro per week subject to annual review. All calculated rents including



minimum rents where they apply will attract the maintenance fee. In specific developments, usually those that are apartment style a higher charge may apply and will be based on the additional service provision that is available to the tenants of such properties.

**15. Halting Sites**

The weekly rent for a transient bay on a halting site, where the tenant has a Licence Agreement, shall be €40 per week. The weekly rent for a tenant who has a Tenancy Agreement and resides on a permanent structure, with daytime living facilities, will be calculated as a differential rent in accordance with this rents scheme. The weekly rent for a tenant who has a Tenancy Agreement and resides on a permanent bay on a halting site, consisting of a hard stand and toilet and sink only, shall be 50% of the calculated differential rent.

**16. Rounding Up and Down**

Where the rents (fixed and income related) calculated in accordance with the preceding paragraphs are not multiples of 50c they shall be rounded up or down to the nearest 50c.

I hereby approve the above scheme on behalf of Louth Local Authorities

  
Director of Services

  
Date

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## **Appendix 1**

### **The following miscellaneous payments are disregarded for rent assessment purposes**

- (i) payments by charitable organisations, being bodies the activities of which are carried on otherwise than for profit (but excluding any public or Council) and one of the functions of which is to assist persons in need by making grants of money to them,
- (ii) payments made in another EU Member State that correspond to child benefit,
- (iii) payments received as a training allowance while undergoing a course of rehabilitation training by an organisation approved by the Minister for Health, and
- (iv) scholarships in respect of attending approved courses provided by approved institutions, within the meaning of sections 8 and 7 of the Student Support Act 2011 (No. 4 of 2011) respectively.

## Appendix 2

### **Louth County Council**

#### **Housing Rents Scheme, Hardship Clause Policy in dealing with applications for a reduction in the weekly differential rent**

The county wide differential rent scheme is prepared by Louth County Council, under the authority vested in it by Section 58 of the Housing Act, 1966, Section 31, Housing (Misc Provisions) Acts 2009 - 2013 and having regard to Article 64 of the Housing Regulations 1980 and Circular Letter HRT 3/2002 dated 6<sup>th</sup> March 2002 from the Department of Environment.

Rents of Council houses are calculated in accordance with this Scheme, as a proportion of the assessable principal household income, together with a contribution from any subsidiary earners in the household. Certain Incomes from a number of sources are disregarded for the purposes of calculation of rents. Eg: children's allowance, fuel scheme payments, living alone allowance etc.

The rent scheme allows for a minimum rent of €25.

The rent scheme allows that the Council may agree to accept a lesser sum of weekly rent from a tenant for a specified period in exceptional circumstances where payment of a rent calculated under the Rent Scheme would, in the opinion of the Council, give rise to hardship.

#### **If a tenant cannot afford the weekly rent:**

- a. A tenant may apply to have the rent recalculated if the household income changes. A tenant should request a new Rent Assessment Form and submit income details to facilitate a rent review.
- b. If there is no change in circumstances but a tenant feels that he/she cannot afford to pay the rent – in cases of exceptional need they may be considered for a reduced rent for a period of time.
- c. The Council will assess each application on its merits and on the basis of the individual tenant/family circumstances.

#### **How to apply for consideration for a reduction in weekly rent under the Hardship Clause of the Rents Scheme -**

1. The case for consideration under the Louth County Council's Rents Scheme dealing with hardship, must be made on the prescribed form and forwarded to the Rent Assessment Unit for consideration.

2. The completed form should be accompanied by supporting documentary evidence of the exceptional needs of the tenant/family eg:
  - Where medical expenses are expended by the tenant(s), that are not covered by a medical card or where financial assistance was not provided by another means/scheme, proof of medical expenses expended must be provided. **The rent will be reduced by 10% of the weekly medical expenses.**
  - Details of transport / parking costs incurred to avail of medical services.
  - Transport / toll costs to and from work, where the proven costs are more than €100 p.w. **rent will be reduced by maximum of €10 per week.**
  - Proof of exceptionally low income
  - **Proof of exceptional financial hardship due to other financial outgoings, which were not deliberately caused by the tenant**
  - Any other information supporting an application.
3. On receipt of the completed Hardship Application form and supporting documentation, the Council will consider the application and a decision will be made.
4. The Rent Assessment Unit will notify the tenant, in writing, of the outcome of the hardship application. If approved, the reduced rent will be applicable for a specified period.
5. In the event of a tenant not being satisfied with the decision of the Rent Assessment Unit an appeal can be made to the Director of Services at the same address

If a tenant is experiencing financial difficulties it is advisable that they contact Money Advice and Budgeting Service (MABS) for budgetary advice.

Completed applications should be forwarded to:

**Housing Rents Section**  
**Louth County Council, Fair Street, Drogheda. Co. Louth**

**Application for a Rent Reduction under the Hardship Clause of Rents Scheme**

**Please complete all sections of form and sign at the end where indicated**

Additional information to support your application can be stated at the end of this form

**I/WE WISH TO APPLY FOR A REDUCTION IN MY/OUR WEEKLY RENT UNDER THE  
HARDSHIP CLAUSE OF THE RENTS SCHEME BECAUSE:**

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<b>Account Number:</b> _____
<b>Tenant(s) Name(s):</b> _____
<b>Tenant(s) Address:</b> _____
<b>Telephone No.:</b> _____ <b>Email:</b> _____

***Summary of Household Members & Income***

<b>Name in Full</b>	<b>Date of Birth</b>	<b>PPS Number</b>	<b>Relationship to Tenant</b>	<b>Income</b>	<b>Name &amp; Address of Employer</b>

**WEEKLY BUDGET SHEET - INCOME**

<b>INCOME</b>	€
<b>WAGES/SALARY</b>	
My Earnings (net)	
Partner's Earnings (net)	
Other earner in household (net)	
Additional earners in household (net_	
<b>TOTAL WAGES/SALARY</b>	
<b>SOCIAL WELFARE PAYMENTS</b>	
My S/W Payment	
Partner's S/W Payment	
Other e.g. FIS	
Other persons in household who receive Social Welfare	
<b>TOTAL SOCIAL WELFARE PAYMENTS</b>	
Child Benefit	
<b>PENSIONS</b>	
Mine	
Partner	
Other/Private Pension	
<b>TOTAL PENSIONS</b>	
<b>OTHER INCOME</b>	
Maintenance	
Student Grant	
Back to Education Allowance	
Other	
<b>TOTAL OTHER INCOME</b>	

**WEEKLY BUDGET SHEET – EXPENDITURE**

<b>EXPENDITURE</b>	€		
<b>MEDICAL COSTS</b>		<b>TRAVEL COSTS</b>	

Doctor's Bills		Fuel	
Travel to Hospital		Tolls	
Hospital Parking		Other – Please state	
Exceptional Optical Costs Exceptional Dentists Costs			
Other medical costs (Please state)			
<b>Exceptional Financial Hardship</b>			

**Please provide the following information regarding your income and expenditure:**

- Proof of Medical Expenses not covered by Medical Card or other schemes
- Proof of Travel/Parking and Tolls costs
- Proof of exceptionally low income (e.g. below a basic social welfare payment)
- Any other supporting information / documentation
- **If you are experiencing financial difficulties it is advisable that you contact MABS for budgetary advice: MABS, 1 Mayoralty Street, Drogheda 0761-072490 or Ann Street, Dundalk, Telephone: 0761-072540,**

**ANY ADDITIONAL INFORMATION:**


**I/ WE DECLARE THAT THE INFORMATION STATED IN THIS FORM BY ME/US, AND ALL SUPPORTING INFORMATION, IS ACCURATE AND CORRECT**

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

Return to Housing Rents Section, Louth County Council, Fair St, Drogheda  
041 9876131 / rents@louthcoco.ie

