



## ***Galway City Council Housing Rents Scheme 2019***

### **1. Effective Date:-**

- 1.1 This scheme shall apply to dwellings let by Galway City Council and will be effective as and from the **1<sup>st</sup> July 2019** and shall be reviewed annually or at such other interval as the City Council may decide.

### **2. Implementation:-**

- 2.1 Rents will be calculated in the manner set out in this scheme as a proportion of the assessable income of the principal earner together with a contribution from any subsidiary earners in the household. Rents will be based on certified returns of income submitted by the tenant.

For the purposes of this scheme, the assessable income is defined as **current** social welfare rates for those in receipt of a social welfare claim. For persons in employment, the net accessible income will be based on the current gross income including benefit in kind **and overtime**, reduced by tax, PRSI and **Universal Social Charge (USC)**. Pension related contributions are not allowable deductions.

- 2.2 Rent assessed in respect of any new tenancies created after 1<sup>st</sup> July 2019 or in respect of any change in the circumstances of existing tenants will be assessed in the manner set out in this scheme for as long as it is in operation.

### **3. Definition:-**

- 3.1 Assessable income is income from the following sources, reduced only by pay related social insurance contributions, health levies, **USC** and any income tax (as outlined in 2.1 above):-

(a) Income from employment including self-employed,

(b) Income from social insurance and social assistance payments, allowances and training allowances,

(c) Income from pensions or sources not already included at (b) above.

(d) Rental and other income from land or property,

(e) Maintenance payments, whether under a formal or an informal arrangement or whether procedure by way of Court Order or otherwise. Where the income details submitted are less than the minimum social welfare entitlement for a specific family composition, the rent will be assessed based on the **current** social welfare entitlements.

- 3.2 Income of an employed person is, in general, the normal weekly rate of remuneration including benefit in kind and **overtime** except that occasional lump sum bonus payments are excluded. All other regular payments in the nature of pay are included.

**3.3 For the purposes of this scheme, assessable income from the primary earner and from all subsidiary earners in a household are combined to give a total household assessable income.**

**4. Income Disregarded:-**

Income from the following sources shall not be counted as income for the purpose of calculating rent:

(a) Payments by the Department of Social Protection in respect of-

- (i) child benefit
- (ii) guardian's payment
- (iii) exceptional needs payments
- (iv) domiciliary care allowance
- (v) dietary allowance
- (vi) rent and mortgage interest supplements
- (vii) fuel scheme payments
- (viii) living alone allowance
- (ix) over 80's allowance
- (x) household benefits package
- (xi) back to school clothing and footwear allowance

(b) That amount in excess of the reference rate (basic social welfare rate) of payments made by the Department of Social Protection in respect of-

- (i) carer's allowance
- (ii) national internship scheme
- (iii) tus scheme
- (iv) rural social scheme
- (v) community employment scheme
- (vi) Youth reach training allowance
- (vii) gateway local authority labour activation scheme
- (viii) back to education allowance
- (ix) vocational & educational training schemes provided by State

(c) Payments by the Health Service Executive in respect of-

- (i) foster care allowance
- (ii) blind welfare allowance
- (iii) mobility allowance
- (iv) home care package
- (v) boarding-out payments
- (vi) Personalised Funding grant aided under an Individualised Service Arrangement

(d) Payments by the Department of Education and Skills or under schemes funded by that Department in respect of:

- (i) student grants,
- (ii) home tuition scheme

(e) The following miscellaneous payments-

- (i) payments by charitable organisations, being bodies the activities of which are carried on otherwise than for profit (but excluding any public or local authority} 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, as amended
- (v) Where a tenant is paying maintenance on foot of a court order or legally binding agreement and produces proof of such payment on an annual basis, or as requested, that element of net income will be disregarded.

## **5. Calculation of Rent:-**

- 5.1 The rents of dwellings let on weekly differential rents will be determined on the basis of assessable income, as outlined hereunder:-

17% of household assessable income

- 5.2 An allowance 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 of €5.00 from the weekly rent in respect of each dependent child.**

- 5.3 An allowance shall be made for each Old Age Pensioner (OAP) residing in a property, amounting to a **deduction of €5.00 from the weekly rent for each OAP.**

## **6. Maximum Rents and Maximum Increase:-**

- 6.1 There will be **no maximum rent.**

**6.2. In the event of a rent increase exceeding 50% of existing rent, the increase will be capped at 50% of existing rent. Where, however, the rent increase is due to a new adult member joining the household, the maximum increase rule does not apply.**

## **7. Minimum Rents:-**

- 7.1 Where the rent determined under Section 5 above results in a weekly rent of less than €32.00 a **minimum weekly rent of €32.00** shall apply.
- 7.2 In exceptional circumstances where payment of a rent calculated under Section 5 above, may, in the opinion of Galway City Council, give rise to undue hardship, the City Council may agree to accept a lesser amount for a specified period, and to defer payment of the balance until the end of the specified period. However, under no circumstances will an amount less than the minimum rent be accepted.

## **8. Fixed Rents:-**

8.1 Where a fixed rent applies to a halting site dwelling, the rent will be €25.00 per week.

8.2 Tenants on fixed rents may change to differential rent if they so wish.

## **9. Additional Charges:-**

9.1 Galway City Council reserve the right to apply extra charges to some dwellings/units to cover the cost of additional services provided to them e.g. heating charges, boiler servicing charges etc.

**9.2 A €2 per week waste management charge applies to all complexes where there is a communal bin or where refuse collection is paid for through a property management company.**

## **10. Miscellaneous:-**

10.1 The Tenant must notify Galway City Council immediately of any changes in household income or in family composition that would affect the rent calculation.

10.2 Where Galway City Council becomes aware of a change in household income or in family composition, which required notification under (i) above, and such notification has not been given as required, any rent adjustment resulting in increased rent will be applied with effect from the date on which such a change in circumstances occurred.

10.3 Where a tenant fails to provide the City Council with household income details and family composition in response to a request by Galway City Council to do so or as part of a rent review, a non-refundable penalty of **€32.00** per week will be imposed for each week that the tenants fails to provide the requested information. This penalty will continue to apply to persons who fail to submit information until such time as the information is received. The penalty will be added to the tenants rent account and will be collectable as arrears on the tenant's account.

10.4 Failure to provide income details when requested to do and failure to declare a change in household income details are breaches of the terms of the Tenancy Agreement and may result in the issuing of a statutory **Tenancy Warning** to the tenant.

10.5 Where an additional adult joins a household it is necessary for that person to apply for Permission to Reside. Pending a decision on the application, a non-refundable weekly charge of **€32.00** will be placed on the tenant's rent account. Should the application be successful, the permission will be effective from the date the decision is made and rent will be adjusted from that date.

**10.6. On termination of a tenancy, for whatever reason, rent, mesne rates and/or appropriate property charges are applicable up to the date of handover of the property to the Council.**

10.7 All rents calculated under this scheme shall be rounded up or down to the **nearest euro**.