

**ATHLONE TOWN COUNCIL**  
**DIFFERENTIAL RENT SCHEME 2005**

**1. Commencement Date:**

This Scheme will apply uniformly throughout the functional area of Athlone Town Council with effect from **2<sup>nd</sup> May, 2005**. It will supersede the existing Scheme and will be subject to review.

**2. Differential Rent:**

Rents will be calculated as a percentage of **assessable Principal Income** together with a contribution from any **subsidiary income** in the household.

**3. Principal Income:**

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

**4. Subsidiary Income:**

Subsidiary income is income of other members of the household other than the tenant(s) and his/her partner.

**5. Assessable Income:**

(a) The Assessable Income is income from the following sources, assessed in full, but reduced by any Pay Related Social Insurance contributions, Income Tax and Pension deductions payable on such income:-

- (i) Income from Employment, including Self-employment.
- (ii) Social Welfare Payments including Social insurance and Social Assistance payments, allowances and pensions, Health Board allowances and FAS training allowances.
- (iii) Income from pensions of kinds not included at (ii) above.

Income from the following sources shall not be regarded as assessable income for the purpose of calculation of rent:-

- (i) Children's Allowances, Orphans Allowances or Orphans Pensions payable under the Social Welfare (Consolidation) Act, 1981.
- (ii) Scholarships.
- (iii) Allowances payable for Fostering children.
- (iv) Allowances for Domiciliary Care of Handicapped Children
- (v) Allowances or assistance received from any charitable organisation.
- (vi) Lump sum compensation payments.

(b) Income of an employed person is, in general, that person's normally weekly wage, Net of Income Tax and P.R.S.I. payment (where applicable). All regular income and payments in the nature of pay, including shift allowance, bonus, commission and overtime are included.

- (c) Rents will be based on the certified income of the household as at 17<sup>th</sup> December 2004 but in the case of a new or transferred tenancy after this date, rent will be based on the certified income of the household as at the date of commencement of the tenancy

**6. Calculation of Rent:**

The rents of dwellings let on differential rent will be determined on the basis of the following:

- a) 22% of the **principal assessable income** which exceeds €70 in the case of one principal earner

plus

- b) 22% of any **subsidiary assessable income** which exceeds €70

The subsidiary income contribution shall be subject to a maximum contribution of €25.00.

The amount of rent calculated in this way should not exceed the maximum rent referred to in part 10 (below) or be less than the minimum rent set out in part 9 (below).

**7. Allowance for Dependent Adults**

Prior to calculation of rent an allowance is also made for dependent adults in the household in the amount of €20.

**8. Allowance for Dependant Children:**

Prior to calculation of rent an allowance is also made for dependent children in the amount of €10.00 per week for each child of 16 years or under or who being under 21 years is attending a full-time course of education and wholly or mainly maintained by the Tenant(s).

**9. Minimum Rents:**

Minimum rents which shall apply are

- a) €19.00 for family type dwellings  
b) €13.00 for Elderly Persons dwellings.

**10. Maximum Rents:**

The weekly maximum rent of each Council dwelling both new and existing will be calculated as follows:

5.25% of the replacement value assigned to each Council dwelling in the Fixed Assets Register divided by 52 to give weekly maximum rent on each dwelling.

**11. Old Person Dwellings:**

A maximum rent of €25.00 will apply to all O.P.D. style dwellings i.e those built specifically for elderly persons.

**13. Hardship Cases**

In exceptional circumstances where payment of a rent calculated as outlined above 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.

**14. Community Employment Schemes**

For tenants who are employed on a Community Employment Scheme approved by FAS, rent shall be assessed on their Social Welfare entitlement rather than their income from Community Employment Schemes in accordance with the items of Department of the Environment Circular HTR 12/94 of 29<sup>th</sup> June 1994.

**15. Review of Income:**

The tenant should notify the Council immediately of any change in income or in family circumstances.

**16. Rounding up and down:**

All rents when calculated in accordance with preceding paragraphs will be rounded up or down to the nearest pound therefore 0.50c or over will be rounded up and 0.49c or under will be rounded down to the nearest Euro.

**17. Notification to Tenants**

Tenants shall be notified one week in advance of the total weekly payment due in respect of their dwellings as calculated in accordance with this Scheme.

Signed:

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**George Lambden,  
Director of Service for Housing.**

**Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2005**