



Comhairle Contae an Chabháin
Cavan County Council

DIFFERENTIAL RENT SCHEME 2025

1. Commencement Date

This Scheme, which supersedes all existing rent schemes, will apply with effect from **1st November, 2025**

2. Differential Rents

Rents will be calculated in accordance with Clause 6 as a proportion of the assessable income of the principal earner(s) together with a contribution from any subsidiary earners in the household.

New Tenancies: Assessable income will be reckoned by reference to the household income as at the date of commencement of tenancy.

Transfer Tenancies: Where an existing tenant is being transferred to an alternative property, assessable income will be reckoned by reference to the household income as at the date of commencement of the new tenancy.

Existing Tenancies: Where rent is being reviewed arising from a change of circumstances in an individual household, assessable income will be reckoned by reference to the household income as at the date of the change of circumstances.

3. Assessable Income

Assessable income is the Principal and Subsidiary Income from the following sources, assessed in full, but reduced by Income Tax, PRSI, USC and any Pension Levy under FEMPI legislation:

- 1) Income from employment including self-employment. Income (including self-employment) will not be deemed to be below the basic social protection income for the equivalent household size or recipient.
- 2) All social insurance and social assistance payments, allowances and pensions, Health Service Executive allowances and all other payments and allowances from whatever source unless they are specifically excluded as outlined in the disregarded income section.
- 3) Income from pensions not included at 2 above
- 4) Rental and other income from land or property.
- 5) Income from savings, deposit accounts and investments; and

- 6) where a tenant is receiving maintenance on foot of a court order or legally binding agreement or under a formal or informal arrangement such income must be declared and will be counted as assessable income.

4. **Disregarded Income**

Income from the following sources shall not be counted as income for the purpose of calculation of rents:

- (a) Child Benefit
- (b) Guardian's payment
- (c) Foster Care Allowance
- (d) Domiciliary Care Allowance
- (e) Dietary Allowance
- (f) Fuel Allowance
- (g) Living Alone Allowance and over 80 Allowance
- (h) Youth Reach Allowance – In full up to the age of 18, thereafter to the extent to which it exceeds the Basic Social Welfare entitlement of the recipient.
- (i) Back to School Clothing and Footwear Allowance
- (j) Exceptional Needs Payment
- (k) Lump Sum Compensation Payments
- (l) Blind Welfare Allowance
- (m) Telephone Support Allowance
- (n) Disability Allowance - In full up to the age of 18, thereafter full amount is included as assessable income.

Partially disregarded income

That amount in excess of the basic social welfare rate of payment for the equivalent household or recipient made by the Department of Social Protection in respect of:

- (a) Carer's Allowance
- (b) National Internship Scheme
- (c) Tús Scheme
- (d) Rural Social Scheme
- (e) Community Employment Scheme
- (f) Youth Reach Training Allowance (after age of 18)
- (g) Gateway Local Authority Labour Activation Scheme
- (h) Back to Education Allowance
- (i) Vocation & Educational Training Scheme provided by State

5. Principal and Subsidiary Income

The principal income is:

- (i) the income of the appointed tenant; or
- (ii) the combined income of appointed joint tenant(s); or
- (iii) the combined income of the appointed tenant and a cohabiting person; or the income of any other person normally resident in the household who is in receipt of the highest assessable income within the household.

The Subsidiary Income is the income of each member of the household who has an income other than the Principal Income.

6. Calculation of Weekly Differential Rent

- 1) Weekly Rent will be calculated in accordance with the following percentage of the Principal Income as set out in Part 5 of this scheme

Assessable Weekly Income of Principal Earner	Rent %
If Principal Income is €260 or less, Rent will be calculated at 12.5 % of income	12.5%
If Principal income is more than €260, Rent will be calculated at 16% of entire income	16% of full income

An allowance of €7.00 per week should be deducted in respect of each child of sixteen years or under, or who being twenty-one years or under is attending a full-time course of education and is wholly or mainly maintained by principal earner. Note documentary evidence must be submitted from the educational institution.

An allowance of €20 should be deducted in respect of a person aged 66 and over who are in receipt of a Pension (Irish State Pension, Bereaved Partner's Pension, (either Contributory or Non-Contributory)). Where there is more than one pensioner in the dwelling the allowance should be applied to each pension.

- 2) After the rent payable in respect of the principal earner has been determined, 14.29% of income of each subsidiary earner which exceeds €25.00 per week should be added, subject to a maximum contribution of €20.00 by each subsidiary earner.
- 3) The weekly rent will be the sum of 1) and 2) as set out above.

7. Minimum Rent

The minimum weekly rent of any dwelling shall be €30.00. Should the amount of rent calculated in accordance with Clause 6 not equal or not exceed the minimum rent of €30.00 per week the minimum rent shall apply.

8. Hardship Clause

In exceptional circumstances where payment of rent calculated in accordance with this Scheme would, in the opinion of the Local Authority, give rise to hardship, the Authority may agree to accept a lesser sum from the Tenant for a specified period (subject to regular reviews). Further information and accompanying application to apply for a reduction in rent – see Appendix 1.

9. Review of Income

The Tenant shall notify the Local Authority immediately of any changes in household income or in family composition, which would affect the rent calculation, and it is the tenant's responsibility to provide accurate information in relation to income when requested to do so. Failure to do so may result in the revised rent being applied with effect from the date on which the change in circumstance occurred which could lead to significant arrears being applied to the rent account which will have to be paid by the tenant.

Where a tenant fails to submit details of household income and family composition, as part of an annual rent review or in response to a request by Cavan County Council to do so, a non-refundable penalty of €30 per week will be imposed for each week that the tenant fails to provide the requested information. The penalty will be added to the tenants rent account and will be collectable as arrears on the tenant's account.

10. Rounding Up and Down

Rents shall be rounded up or down to the nearest euro.

APPENDIX 1 – DIFFERENTIAL RENT SCHEME – Hardship Clause

The differential rent scheme is prepared by Cavan County Council, under the authority vested in it by Section 58 of the Housing Act, 1966 and Section 31 of the Housing (Miscellaneous Provisions) Act, 2009 as amended and having regard to Article 64 of the Housing Regulations, 1980 and Circular Letter HRT 3/2002 dated 6 March, 2002.

Weekly rents are calculated in accordance with the Scheme, as a proportion of the assessable principal household income, together with a contribution from any subsidiary earners in the household less any income which is disregarded.

The minimum weekly rent payable under the Scheme is €30.00.

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 Scheme would, in the opinion of the Council, give rise to hardship.

If a tenant cannot afford the weekly rent:

- a. An application may be made to have the rent recalculated if the household income changes. A new Rent Assessment Form should be requested, completed and submitted together with the income details so that the rent can be reviewed.
- b. If there is no change in circumstances but a tenant believes that they cannot afford to pay the rent, in cases of exceptional need they may be considered for a reduced rent for a period.
- c. The Council will assess each application on its merits and based on the individual needs of the household.

How to apply:

1. All applications to have rent reduced due to hardship must be submitted on the prescribed form to the Housing Office for consideration.
2. The form should be accompanied by supporting documentary evidence of the exceptional needs of the household to be considered e.g.
 - Medical expenses that are not covered by a medical card or where financial assistance is not provided by another means/scheme - proof of medical expenses must be provided.
 - Details of exceptional transport/parking costs incurred to avail of medical services – proof must be provided.
 - Exceptional transport costs to and from work.

- Proof of exceptionally low income in the case of the Self-Employed • Other relevant information supporting an application.
3. On receipt of the completed form and support documentation, the Council will consider and make its decision on the application.
 4. Notification of the decision will be forwarded to the tenant.
 5. No rent reduction granted will result in a tenant paying less than the minimum rent of €30 per week.
 6. In the event of a tenant not being satisfied with the decision on the application an appeal can be made in writing to the Senior Executive Officer.

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

Completed application forms should be forwarded to the Rents Unit, Housing Section, Cavan County Council, Cavan Courthouse, Farnham St, Cavan, H12 R6V2