



Comhairle Cathrach na Gaillimhe  
Galway City Council

## **Galway City Council Housing Differential Rents Scheme 2025**

**This Scheme is prepared by Galway City Council, under the authority vested in it by Section 58 of the Housing Acts 1966 to 2014, as amended.**

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

- 1.1 This scheme shall apply to dwellings let by Galway City Council and will be effective as and from 1<sup>st</sup> October 2025 and shall be reviewed at such other interval as the City Council may decide. This Differential Rent Scheme also applies to the Housing Assistance Payment (HAP) Scheme, Rental Accommodation Scheme (RAS) and Social Leasing Scheme.

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

- 2.1 Rents will be calculated in the manner set out in this scheme as a proportion of the total household assessable income. Rents will be based on certified returns of income submitted by the tenant.
- 2.2 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 assessable 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.
- 2.3 Rent assessed in respect of any new tenancies created after the effective date in 1.1 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.
- 3.2 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.

- 3.3 Income of an employed person is, in general, the normal weekly rate of remuneration including benefit in kind and overtime. All other regular payments in the nature of pay are included. Occasional lump sum bonus payments are excluded.
- 3.4 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.
- 3.5 Assessment of self-employed persons  
In the case of self-employment, tenants will be obliged to submit audited accounts for the previous year and the last income tax assessment from the Inspector of Taxes. In the absence of certified accounts/notice of assessment, tenants who are self-employed after the effective date in 1.1 may be assessed on a minimum net income of €500.00 per week.

#### **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 the total household assessable income, as outlined hereunder: -

20% of total household assessable income - refer to section 3.0

except for

17% for those in receipt of Old Age Pension (Contributory & Non-contributory)

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

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

6.1 There will be no maximum rent.

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

7.1 Where the rent determined under Section 5 above results in a weekly rent of less than prevailing rate of Social Welfare, a minimum weekly rent shall apply. This minimum rent shall be 20% of the prevailing rate of social welfare and 17% of the prevailing rate of social welfare for those in receipt of Old Age Pension (Contributory & Non-contributory)

## **8. Hardship Clause: -**

8.1 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, subject to regular reviews. However, under no circumstances will an amount less than the minimum rent be accepted.

- 8.2 Where a household is in receipt of HAP (Housing Assistance Payment), a HAP specific hardship clause may be applicable when the following conditions are met:
- The HAP monthly payment to the HAP landlord has already been increased to the permitted maximum discretionary HAP rental limit and the tenants weekly outgoing on rent still exceeds the Department of Housing sustainability guidelines.
  - The tenants total weekly outgoing on rent is calculated as the differential rent payable plus any additional rent payment (top-up) payable to the landlord.
  - In cases where payment of the rent calculated would, in the opinion of the City Council, give rise to undue financial hardship, the Council may agree to accept a smaller differential rent from the HAP tenant for a specified period and subject to on-going reviews.

## **9. Fixed Rents:-**

- 9.1 Where a fixed rent applies to a halting site bay, the rent will be €25 per week.
- 9.2 Tenants on fixed rents may change to differential rent if they so wish.

## **10. Review of Income**

- 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. Failure to notify Galway City Council of any income changes is a breach of your Tenancy Agreement.
- 10.2 Where Galway City Council becomes aware of a change in household income or family composition, any rent adjustment resulting in increased rent may be applied with effect from the date on which the change in circumstances occurred.

## **11. Penalty Clause**

- 11.1 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 will be imposed for each week that the tenants fail 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. Any consequential rent reduction will not be backdated. The penalty will equate to the current minimum rent (20% of the prevailing rate of social welfare).
- 11.2 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. Tenants should be aware that any documentation which is submitted late or in cases of undeclared income, any increase or decrease in rent will be applied retrospectively.

## **12. Permission to Reside**

- 12.1 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 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. This charge will equate to the current minimum rent (20%\* of the prevailing rate of social welfare). To allow an adult to move into a Council property without prior written approval is a breach of the Tenancy Agreement.
- The granting of Permission to Reside and the inclusion of an applicant on a Rent Account does not automatically entitle Succession of Tenancy. Succession of Tenancy will be granted in line with Galway City Council's Allocation Scheme.
- 12.2 Rent is payable right up to the date of an eviction as per Section 12 (10) of the Housing Miscellaneous Provisions Act 2014

## **13. Rent Refunds**

In order for a Rent Refund to be processed, a rent account must be up-to-date and correctly assessed. A Rent Assessment Form must be completed and submitted along with your refund request. A refund administration fee may be charged.

## **14. Termination of Tenancy**

On termination of a tenancy for whatever reason, rent will remain payable to Galway City Council until the date of the handover /surrender of the property to Galway City Council.

## **15. New Lettings**

It will be the policy for all new lettings that the tenant must sign a Household Budget or Direct Debit deduction /Standing Order form, where appropriate.

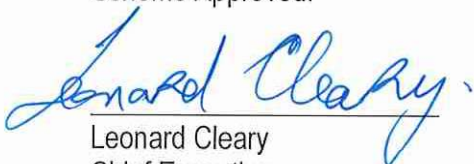
## **16. Additional Charges**

- 16.1 An additional charge per week will apply to all apartment complexes where there is a communal bin service. The charge also applies to Part V properties or where refuse collection is paid for through a property management company.
- 16.2 Where additional charges are payable by Galway City Council for a dwelling provided in a private or public estate, Galway City Council reserves the right to apply additional charges to cover the cost of additional services provided to them, i.e. Management Company Fees and Maintenance Fees.
- 16.3 Where a tenant causes financial loss to Galway City Council through damage to the property, their rent can be increased as a contribution towards the repair costs. In such instances, the tenant will be advised of the repayment costs, the additional weekly rent payment and the duration of the additional payment. Any rent reviews and subsequent changes to household rent will be separate to the additional costs towards the repair costs.

## 17. Rent Arrears / Breach of Tenancy Agreement

- 17.1 If a Tenant falls into arrears with their rent account, they should contact the Debt Management Unit (DMU) immediately to discuss their situation in detail. The DMU will arrange a payment plan that will help the Tenant to clear their arrears within a reasonable period of time without adversely affecting their financial circumstances.
- 17.2 In circumstances where a Tenant who is in arrears fails to make payments, Galway City Council will write to the tenant with a Statutory Tenancy Warning Letter which will have been preceded by less formal warnings. If within two months of this letter, the Tenant fails to discharge the rent arrears in full, or if the tenant fails to enter into, or adhere to a payment plan with Galway City Council, the Council may apply to the District Court for possession of the dwelling pursuant to Section 8 of the Housing (Miscellaneous Provisions) Act 2014.
- 17.3 In circumstances where a Tenant is in arrears, Galway City Council reserve the right to cease non-essential maintenance at the property.
- 17.4 Failure to adhere to the requirements set out in the Tenancy Warning Letter may also jeopardise the tenant's eligibility for social housing supports as part of a housing assessment. Under Subsection 5A of Section 20 of the Housing Act 2009 (as amended), Tenants become ineligible for continued social housing support where they are in arrears of rent for a total of 12 (not necessarily consecutive) weeks or more, at any point in the past 3 years, and have either refused to enter into rescheduling arrangements for arrears or have failed (except for reasons outside of their control) to comply with rescheduling arrangements.

Scheme Approved:



Leonard Cleary  
Chief Executive  
Galway City Council

Date: 1<sup>st</sup> September 2025