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July 23<sup>rd</sup> 2012

Ms Mary Maguire,
Meetings Administrator,
Corporate Services Department,
South Dublin County Council,
County Hall,
Tallaght,
Dublin 24.



Ref: M7/0712

Re: Motion Passed at Meeting of South Dublin County Council

Dear Ms Maguire,

I note and thank you for your letter of July 18<sup>th</sup> 2012 and the motion that was passed by the meeting of South Dublin County Council on July 9<sup>th</sup> 2012 regarding the inclusion of Family Income Supplement as assessable income for the determination of rent. I am enclosing for your attention the DECLG Social Housing Support Household Means Policy of March 30<sup>th</sup> 2011 which specifies the income that is assessable for the determination of rent. This Circular specifically includes FIS as an assessable income. In effect Circle VHA has been adapting the policy on Household Means Policy as stated by DECLG. We also took the view that FIS should be included as a net disposable income for rent assessment as this policy was more equitable taking into consideration the variable sources of incomes from the Department of Social Protection, part time employment etc that our tenants receive. As per the Department Circular Circle VHA does not include Children's Allowance, Education Allowances etc as assessable income.

We are of course aware of the different differential rent policies that are in place across local authorities where we have properties and of the differential rent policy that applies for the approved housing sector. The variation in the level of differential rents and assessable incomes applied across local authorities is very not helpful overall for social housing tenants. This is a matter that needs to be addressed by the Department of Environment, Community and Local Government.

I trust that the above is of assistance to you.

Yours sincerely,

Justin O'Brien
Chief Executive

Directors:



# **Social Housing Support**

# **Household Means Policy**

issued under Regulation 17 of the Social Housing Assessment Regulations, 2011

Approved by the Minister for Environment, Heritage and Local Government, 30 March 2011

### 1. Background and purpose of Household Means Policy

This policy sets out the manner in which housing authorities will assess the means of applicant households for the purpose of determining the household's ability to provide accommodation from its own means and by extension its eligibility, or otherwise, for social housing support.

The requirement to adhere to the household means policy in assessing applicants for social housing support is set out in Regulation 17 of the Social Housing Assessment Regulations, 2011, which provides that the income of a household shall be calculated for the purposes of these Regulations in accordance with written guidance issued by the Minister to housing authorities (in these Regulations referred to as a "household means policy").

#### 2. Income assessed is net income

The income threshold is the basic measure of whether a household is eligible for social housing support. The determination of whether an applicant household meets the income criteria is based on a calculation of net income. Net income means that income tax, Universal Social Charge, Pension-Related Deduction within the meaning of Financial Emergency Measures in the Public Interest Act 2009, and PRSI are deducted from the relevant assessable gross income. The income of all persons aged 18 years and over included in a social housing application shall be assessed for the purposes of determining whether an applicant household meets the income requirements.

### 3. Income that is assessable in considering social housing applications

Subject to what follows in the paragraphs below, the following incomes are assessable for the purposes of assessing eligibility for social housing support

- income from employment including overtime, bonuses and commissions;
- overtime payments, commissions and bonuses will be assessable as follows:
  - o overtime generally restricted to a maximum of 10% of basic income, but regular overtime may be taken into account;
  - o bonus restricted to a maximum of 10% of basic income;
  - o commission restricted to a maximum of 30% of basic income, where applicable;
- income from self-employment;
- maintenance payments received, (subject to the criteria set out in the guidance notes which accompany this means policy)
- income from rental properties, dividends, capital investments and other similar sources of income:
- occupational and social welfare pensions, from whatever source, including from abroad, and
- with the exception of the specific payments listed in paragraph 4 below as being disregarded, all income from social insurance and social assistance payments, allowances and benefits, including Family Income Supplement, is assessable.

## 4. Income that is not assessable

In assessing household income for the purposes of the household means policy, a housing authority *may* decide to disregard income that is once-off, temporary or short-term in nature and which is outside the regular pattern of a person's annual income.

Income from the following sources shall, in all cases, be disregarded for the purposes of assessing income:

- child benefit or guardian's payment;
- exceptional or urgent needs payments;
- carer's allowance;
- scholarships or higher education grants;
- foster care payments;
- domiciliary care allowance;
- allowances/assistance from charities;
- fuel allowance;
- mobility allowance;
- living alone allowance;
- rent or mortgage interest supplements; and
- payments under FÁS schemes.