



An Roinn Tithíochta,
Rialtais Áitiúil agus Oidhreachta
Department of Housing,
Local Government and Heritage

Local Authorities Differential Rent Schemes and Rent Reviews

Value for Money Unit

Local Government Audit Service

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Department of Housing, Local Government and Heritage

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Local Government Audit Service

The Local Government Audit Service (LGAS) is the independent statutory body responsible for the audit of local authorities. The Value for Money Unit, as part of the LGAS has the following remit:

- To carry out Value for Money audits and publish reports thereon;
- To carry out studies of systems, practices and procedures within local authorities and make recommendations on how to enhance efficiency, economy and cost effectiveness;
- To examine the extent to which a local authority has, or is implementing recommendations made.

This report was prepared on the basis of information, documentation and explanations obtained from the public bodies included in this report. The draft report was sent to all local authorities, relevant Government departments and agencies for comment and where appropriate, the comments received were incorporated in the final version of the report.

The website of the Department of Housing, Local Government and Heritage is the primary means of publishing reports of the Value for Money Unit of the Local Government Audit Service. Should any errors arise, they will be corrected in the report published at <https://www.gov.ie/en/department-of-housing-local-government-and-heritage/collections/value-for-money-reports/>

Executive Summary

Introduction

The setting of differential rent schemes is currently an executive function of local authorities, governed by broad principles set out by the Department of Housing, Local Government and Heritage (the Department). Department guidance states that schemes should be income-related and progressive in nature, with allowances being made for dependents and those in full time education. Provisions for those experiencing hardship should be made, factoring in local considerations including rent charged in neighbouring counties.

This study reviewed all differential rent schemes currently in operation across the sector. We assessed the adoption of Department guidance and anomalies between the different schemes; and examined the rent review process.

A survey was completed by all local authorities, the results of which were used, among other considerations, to select eight local authorities for further participation in the study. Site visits were conducted for each of the selected local authorities for a more detailed review and for verification purposes.

Findings

Rent Schemes

All rent schemes have incorporated the guidance in relation to contributions from subsidiary earners, financial hardship, and are income based. There are, however, differences in how these criterion are incorporated in each rent scheme, resulting in comparable households residing in different local authority areas paying dissimilar rents.

The following were identified as being key factors in the variation of differential rents across the country:

(i) Principal Income & Subsidiary Income:

The distinction between Principal Income (PI) and Subsidiary Income is possibly the most significant driver of differences in rents across the sector, particularly for

households with income other than Department of Social Protection payments. Rent is calculated on the principal earner's income (principal income) under each rent scheme. Less than 50% of rent schemes assess the joint income of the principal earner and their cohabiting partner or spouse as PI. For the 17 rent schemes that have not adopted joint assessment, income of the principal earner's partner/spouse is considered subsidiary income. Under the majority of rent schemes, subsidiary income is subject to a different calculation than PI. In the interests of fairness, PI should be jointly assessed by all local authorities.

Twenty-five rent schemes include a fixed charge or a maximum charge on subsidiary earners that ranges from €8.88 to €40 across the sector, irrespective of actual income. In and of itself, this causes an imbalance in rents across the sector, however when considered in conjunction with single assessment of PI, the differences are amplified.

(i) Assessable Income & Allowances

Not all rent schemes have aligned assessable income to the Household Means Policy (updated 2021) published by the Department. Certain types of income are excluded from assessable income under each rent scheme; however, what income is disregarded varies across the sector. For example, fostering allowances, the Working Family Payment or lump sum compensation payments may be assessable under some schemes but not others. Pension contributions deducted from earnings is disregarded under a number of rent schemes.

Allowances for dependent children and adults also differed between local authority areas.

(ii) Maximum and Minimum Rents

Ability to pay considerations for households on higher income were not consistent across all local authorities. Eight rent schemes include a maximum rent charge, regardless of household income. A further ten schemes have fixed charges for pensioners or for temporary dwellings and one scheme applies an economic rent. This upper threshold can be dependent on the size of the house; for example, maximum weekly rent charged on a three bedrooomed house can vary from €79 (Kerry) to €401 (Dublin City). The result is households in different (and sometimes

neighbouring) counties, with similar income and household compositions paying very different rents. Given the high level of demand for social housing and the significant gap between differential rent and market rent, maximum rent charges should be discontinued to ensure a fair contribution from all households who benefit from social housing.

Minimum rents ranged from €10.50 to €32 and many local authorities have not adjusted their rates for several years. Only three local authorities do not have minimum rents.

(iii) Differences in Headline Percentage Rate

The percentage applied to PI in determining rents differed across the sector. In addition, for most rent schemes subsidiary income is subject to a lower rate than applied to PI.

Rent Reviews

Only five local authorities carry out rent reviews on an annual basis with a further seven conducting rolling reviews over a two-year period. Without regular review, there is an inherent risk that changes in household means may not be reflected in rent charged for a number of years and result in a loss of income for the local authority.

The rent review process for most local authorities is onerous from an administrative perspective, with very little automation and a reliance on manual processes.

Increased digitisation would allow for more efficient reviews; for example, submission of income details via a portal or mobile app and automatic calculation of rents.

In the context of current and planned growth in social housing stock, new efficiencies will be essential to cope with increasing tenancies numbers.

Rent reviews undertaken by local authorities in 2023 and 2024 have predominantly focused on tenants in local authority housing stock. It has been noted in local government audit reports that a number of local authorities have not undertaken large-scale reviews of Housing Assistance Payment (HAP) tenancies in a number of years. These tenancies represent an ongoing and substantial cost to the Exchequer

and account for a significant number of instances where differential rent was reduced to avoid undue financial hardship.

In the interests of fairness and ensuring value for money, these tenancies should be given equal priority as local authority tenants for regular rent reviews.

There was no standard approach for applying arrears on rent accounts following a rent review. For example, some local authorities backdate the changes in rents to a set 'Gale Day', while others may not apply retrospective charges on the basis that this would increase arrears and may not be collectible.

Within some local authorities, there was reluctance to add arrears of differential rent for HAP cases, as it may jeopardise the private landlord tenancy arrangements.

Co-operation with other Departments should become an embedded and formalised process. There is scope to enhance the sharing of data to simplify the rent review processes through real time data access via the Revenue Commissioners, similar to the access available via the Department of Social Protection. Joint inspection operations have proved successful under pilot and ad-hoc arrangements to identify anomalies between records, house inspections, welfare needs and even abandoned houses. This is discussed in further detail in Section 4 of the report.

Tenancy Fraud

None of the current rent schemes referred to tenancy fraud. Six schemes made reference to matters that would breach the tenancy agreement and could result in legal action.

Prevention and detection of fraud is the responsibility of the sector to ensure the fair and correct allocation of scarce social housing. Tenancy fraud can take place via unauthorised occupation (such as subletting, joint tenancy, succession or abandonment of property). Application fraud, right to tenant purchase, or not giving full income details for rent reviews etc. can lead to abuse of the system, loss of revenue and ultimately the misuse of taxpayer funds.

There should be an increased awareness amongst staff and tenants about their responsibilities and obligations around fraud. Documentation should be reviewed

and updated to ensure that it is consistent with the relevant laws. Whistleblowing and reporting of suspected cases should be encouraged, and facilitated by using enhanced technology solutions, such as a dedicated link on the local authority website.

Summary

The recommendations made in this report relate to the frequency and types of tenancies included in the rent review process. They also refer to efficiencies that can be achieved through increased digitisation, collaboration with other Departments, and safeguarding against the risk of tenancy fraud.

With respect to the individual rent schemes, harmonisation of rents can only be fully achieved through the implementation of a National Rent Scheme. This has been on the policy agenda for a number of years and work has commenced by the Department in this regard.

Given the gap to be bridged between local authority areas, a move to a national rent scheme would result in substantial changes in rent charged for a large number of households and may be challenging to implement in the short to medium term.

Closer alignment across the sector can be achieved through a number of medium term changes and the recommendations contained in Section 3.4 have been framed with this in mind.

1 Introduction

1.1 Background

The rights of local authorities to set and collect rents on their dwellings, is set out in Section 58 of the Housing Act, 1966 on the basis of household income levels, and is referred to as the differential rents system. The setting of rents by local authorities is an executive function, although the members consider it, in the context of budget setting, during the annual estimates process.

Rents collected by local authorities account for circa 10%¹ of revenue income.

Each local authority has autonomy in devising its own Differential Rent Scheme, in line with Housing Regulations and Department guidance². The broad principles for local authorities in drawing up and reviewing their rent schemes are as follows:

- The rent payable should be related to income and a smaller proportion of income should be required from low income households;
- Allowances should be made for dependent children including those under 21 years of age in full-time education; a contribution towards rent should be required from subsidiary earners in the household;
- Provision should be included for the acceptance of a lower rent than that required under the terms of the scheme in exceptional cases where payment of the normal rent would give rise to hardship;
- Consideration of appropriate local factors, including the costs of maintenance and management of stock rented dwellings and the adequacy of the rental income to meet such costs.

The Circular also states that rents should be based on the ability to pay and should be progressive with rent levels increasing as income increases. To avoid the creation of poverty traps, income banding is not recommended but rather rent based on set

¹ Local Government Audit Service Oversight Report 2023

²Section 31 of the Housing (Miscellaneous Provisions) Act 2009 as amended, Article 64 of the Housing Regulations 1980 and Department Circular Letter HRT 3/2002 of 6 March 2002. S.31 provides for the Minister to be able to make Regulations and making of rent schemes would be a reserved function. S.58 of 1966 Act was repealed on commencement of S.31. It also provides for a transitional period for implementation of the new Regulations/scheme over 2 years. It has not commenced to date.

percentages. For those on low income, social welfare increases should not be excessively absorbed; a general guideline of no more than 15% of any increase in pension income should be absorbed by an increase in rent. In the interests of equity, local authorities should be mindful of rent schemes adopted by local authorities in their immediate area for similar households.

Differences in rents charged under each rent scheme and the inequities between tenancy types have been referred to in a number of studies³ undertaken in recent years.

1.2 ‘Delivering Homes, Building Communities’ & Policy Objectives

The policy document ‘Delivering Homes, Building Communities’ includes a commitment to conduct a comprehensive review of the differential rents system in local authorities. It states:

‘A key element of any future framework is ensuring that similar households with comparable financial means pay the same amount of rent for their social home, regardless of who their social housing landlord is, or in which local authority area they are located. Government recognises the significant role that housing rents income plays in the structure of social housing financing, where rents paid by social housing tenants are utilised to contribute to the maintenance and improvement of their homes, and to sustaining the communities in which they live’

Work has been ongoing over a number of years within the Department (in consultation with the Housing Agency) on meeting this objective and the Value for Money Unit will liaise with the section as it progresses.

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- ³ Investigation of the HAP scheme (An investigation by the Ombudsman into the administration of the Housing Assistance Payment scheme, June 2025)
 - C&AG Report 2020: Oversight of the Housing Assistance Payment (HAP)

1.3 Investigation of the HAP scheme (An investigation by the Ombudsman into the administration of the Housing Assistance Payment scheme, June 2025)

This report reviewed the background, operation and administration of the HAP scheme throughout the local authority sector. It also examined the affordability of rent, the relationship between HAP and standard social housing, and other issues arising in HAP tenancies.

Common themes emerging with this report are:

- Differential rents and the complexities of calculations, including what income is disregarded and the variation in rents for tenants in similar situations from other local authorities;
- Availability and use of hardship clauses; in particular, a HAP specific hardship clause;
- Availability of flexible arrears arrangements.

The report also examined the affordability of rent for HAP tenants and carried out detailed analysis on average monthly differential rents, which ranged from €133 in Clare to €317 in Meath.

1.4 Types of Tenancies under Differential Rent

Social housing needs are met through a number of tenancy types; the most common of which are in local authority owned housing. Social housing needs are also met through the use of housing owned by third parties under approved schemes.

Tenants in receipt of housing support under these schemes are also required to pay differential rent to the local authority.

Housing Assistance Payments and Rental Accommodation Scheme Tenancies

The Housing Assistance Payment (HAP) scheme and the Rental Accommodation Scheme (RAS) supports households who are eligible for social housing support and

are on the local authority housing list. Under RAS, local authorities draw up contracts with private property owners to provide housing for an agreed term.

With HAP, the tenants source the accommodation and the local authorities makes a direct payment to the landlord. The tenants pay differential rent to the local authority⁴. A shared service is in operation in Limerick City and County Council for processing of approved HAP applications and payment to landlords on a monthly basis (on behalf of, and subject to the relevant rent limits for that local authority).

Approved Housing Bodies

Approved Housing Bodies (AHBs) receive funding from local authorities for the construction or acquisition of housing to be used for social housing purposes. Under the terms of these schemes, local authorities nominate tenants from their social housing lists. The tenant will pay the differential rent (calculated on the same basis as rent in local authority owned homes) directly to the AHB rather than the local authority. The AHB is responsible for conducting rent reviews on these tenancies; in line with local authorities' differential rent schemes.

In a smaller number of cases, where the AHB units are funded under the Capital Assistance Scheme, an economic rent is charged. The mechanism for this rent setting is included in the relevant funding agreement, as set out in Circular Memo 2/2002. The economic rent consists of a differential rent contribution from the tenant (minimum of €30 per week for a single person and €35 per week for a couple) and a weekly subsidy payment from the Local Authority (maximum of €55 per week for a single person and €60 per week for a couple) which is recouped by the Department. These tenancies have not been included in the scope of this review.

⁴ Payments are subject to limits applicable to local authority administrative areas and household composition for HAP. Top-up payments may also be made to the landlord by some tenants, where there is a gap between the rent charged and the rent limits of the HAP scheme.

Mortgage to Rent

The Mortgage to Rent scheme (MTR) has been in operation since 2012 as part of the government's response to the mortgage arrears crisis. The scheme was devised for households that are eligible for social housing and agree to the voluntary surrender of their home. Its purpose is to assist those who have negative equity (or marginal positive equity based on limits by county) that have completed the Mortgage Arrears Resolution Process and their mortgage deemed unsustainable. It allows the property to be purchased by either an AHB, a private company or the local authority (if the loan originated with them) and for the family to remain in their home and pay differential rent.

Unsold Affordable Units / Leasing / Other

Unsold affordable units relate to properties delivered under Part V of the planning rules by developers, which were intended for sale to homeowners on lower incomes at discounted prices. However, during the property market crash, a number of units did not sell and were subsequently let to social housing tenants. Some local authorities also have short and long-term leasing arrangements in place with private landlords. Similar to RAS, the local authority pay the property owners directly and the tenants pay differential rent to the local authority. Similarly, tenancies under some schemes, such as the Repair and Lease Scheme, are shown under the 'Other' category in Exhibit 1 below.

Numbers of tenants paying differential rents

Local authorities provided detailed information about the number of tenancies under various categories who were paying differential rents at 31 December 2024. In total, there were approximately 217,050 tenancies paying rent to local authorities under the various differential rent schemes. A summary of the types of tenancies paying differential rents is shown in Exhibit 1 below. These figures do not include tenancies with AHBs.

Exhibit 1: Approximate number of households paying Differential Rents to local authorities at 31.12.2024

Tenancy Type	Number	Commentary
Local Authority Tenants	150,968	Differential rent paid by tenants to the local authority for social housing.
Housing Assistance Payment	**53,742	Tenant pays differential rent to the local authority via HAP shared services centre. Local authority pays rent to the property owner (based on geographical limits), tenants may also pay top-up rent to the landlord where the limits are less than rent charged.
Private (RAS)	**7,915	Rental Accommodation Scheme tenants in private property. Local authority pays market-based rent to the landlord and tenant pays differential rent to the local authority.
Mortgage to Rent	1,029	Previous owners are now tenants paying differential rent to the local authority.
Unsold Affordable units	618	Properties managed by an AHB or management company on behalf of the local authority, tenants pay differential rent.
Long-term/ short-term lease	2,269	Privately leased property where tenants pay differential rent to the local authority and local authority pays market-based rent to the property owner.
Other	509	Includes e.g. Repair Lease Scheme, Improvement Works in lieu etc. where tenants pays differential rent to the local authority.
Total	217,050	

Source: LGAS Questionnaire to local authorities on rent reviews

** HAP/RAS tenancy numbers confirmed by the Department

2 Scope & Methodology

2.1 Scope and Objectives of the Report

- Review all differential rent schemes in operation and assess how Department guidelines have been adopted;
- Assess the impact of differences between rent schemes on rent charged for families of the same composition and similar income;
- Examine the rent review process; including the frequency of reviews, formal procedures in place and how they differ for the various tenancy types, penalties for not returning information, monitoring of tenancies on lesser rents on the basis of financial hardship;
- Outline findings and make recommendations to address the imbalance in rents charged in different local authority areas and in relation to the rent review process.

2.2 Methodology

This study was completed through the following methodology:

(i) Preliminary Consultation

As part of the initial scoping for this Value For Money (VFM) study, preliminary meetings were held with Department officials to gather background information and discuss the scope and objectives of the proposed report.

(ii) Pilot Visit

A pilot questionnaire was used for a site visit to Laois County Council, for the purpose of streamlining and finalising the questionnaire.

(iii) Survey Questionnaire

In order to obtain an overview of the rent review procedures, and rent schemes operating in each local authority, a survey questionnaire was circulated to the sector for completion by Directors of Housing. This provided details of the rent schemes, details of rent reviews and sample rent calculations for comparative purposes etc. The responses have been collated and analysed with findings and recommendations reported in Section 3.

(iv) Data Gathering

For the study, the following sources were taken into consideration:

- Other reports or projects around rents and HAP scheme in local authorities;
- Issues raised by LGAS in recent audit reports of local authorities.

(v) Site Visits and Verification Checks

Following receipt of the completed survey questionnaires, a number of participating authorities were selected for verification site visits.

(vi) Report Clearance

A draft report was circulated to the Advisory group, the VFM Consultancy Committee, and the participating local authorities for factual accuracy and commentary.

2.3 Basis for selection

Eight local authorities were selected for verification visits. Selection was based on a number of factors including:

- The size of the local authority to ensure a fair representation of small, medium and large entities;
- Geographical location to ensure representation across the different regions;
- Responses in the questionnaires completed by all local authorities;
- Number of tenancies and expenditure on the HAP scheme by local authority.

The eight local authorities visited as part of this study were:

- Carlow County Council
- Cork City Council
- Galway City Council
- Kerry County Council
- Mayo County Council
- South Dublin County Council
- Waterford City & County Council
- Wicklow County Council including Bray MD (virtual site visit)

The site visits reviewed the completed questionnaire and related matters covering the setting and implementation of the differential rent schemes. Also discussed were the procedures and operation of rent reviews for all types of tenancies in place in each local authority, and any other suggestions or relevant information pertaining to the various tenancies. The main rent reviews discussed were for tenants of the local authority and HAP tenancies.

3 Findings & Recommendations

Overview of current local authority differential rent schemes

There are 32 differential rent schemes in operation, one for each local authority with the exception of Wicklow County Council, which also had a legacy scheme operated in the Bray Municipal District (a new amalgamated scheme is planned for operation in 2026). Summary details of existing differential rent schemes are included in Appendix 1.

3.1 Adoption of Department Guidelines

We reviewed all differential rent schemes and considered how they aligned with Department guidance. Our key findings under each of the broad guidelines are detailed below.

Income related rent

All rent schemes in operation calculate rent on the basis of income and each scheme requires a contribution from subsidiary earners. There are, however, variations in what is considered assessable income in different local authority areas. There are a number of 'disregards' or categories of income that are excluded from assessable income, which varied across the sector as outlined in Section 3.2 of this report. This means that there is inequity in how income is assessed on a national basis and a need for a common policy on income disregards.

Local factors

Guidance states that rent schemes should have regard to local factors, such as maintenance of stock and associated costs. Local authorities are expected to be cognisant of rent charged in other local authority areas to avoid large disparities for households of similar incomes and similar household compositions. Comparisons were made between a sample of neighbouring counties in each region for a number of scenarios with various income and household compositions. Some of the differences arising are illustrated in Exhibits 2-4 below.

Exhibit 2: Comparison of counties (North West)

Comparison of weekly rent in neighbouring local authorities	Donegal Co Co €	Leitrim Co Co €	Sligo Co Co €
Pensioner living alone on non-contributory state pension & living alone allowance. Household income €300	26.90	57.20	22.00
% of income	9%	19%	7%
Single parent, 1 child, net weekly earnings of €450 & working family payment €153. Household income €603 per week	77.20	115.50	106.00
% of income	13%	19%	13%
Couple with 2 children, earnings of €650 & working family payment €156. Household income €806 per week *	87.30	150.00	144.00
% of income	11%	19%	18%
Couple with 2 children, 2 incomes: net weekly earnings of €650 & €200, plus €70 in child maintenance. Combined weekly income €920 [^]	89.50	172.80	140.00
% of income	10%	19%	22%
*assumes the tenant is the principal earner			
[^] assumes tenants partner has not signed the tenancy agreement			

Source: LGAS Questionnaire

Exhibit 3: Comparison of counties (Dublin)

Comparison of weekly rent in neighbouring local authorities	Dublin City Council €	Dún Laoghaire Rathdown Co Co €	Fingal Co Co €	South Dublin Co Co €
Pensioner living alone on non-contributory state pension & living alone allowance. Household income €300	40.20	38.88	33.36	20.80
% of income	13%	13%	11%	7%
Single parent, 1 child, net weekly earnings of €450 & working family payment €153. Household income €603 per week	84.65	89.88	72.36	48.00
% of income	14%	15%	12%	8%
Couple with 2 children, earnings of €650 & working family payment €156. Household income €806 per week *	109.30	121.36	96.72	68.00
% of income	14%	15%	12%	8%
Couple with 2 children, 2 incomes: net weekly earnings of €650 & €200, plus €70 in child maintenance. Combined weekly income €920*^	111.70	116.40	110.40	102.40
% of income	12%	13%	12%	11%
*assumes the tenant is the principal earner				
*^assumes the tenant's partner has not signed the tenancy agreement				

Source: LGAS Questionnaire

Exhibit 4: Comparison of counties (South)

Comparison of weekly rent in neighbouring local authorities	Cork City Council	Cork Co Co	Kerry Co Co	Waterford Co Co
	€	€	€	€
Pensioner living alone on non-contributory state pension & living alone allowance. Household income €300	37.80	46.50	36.00	42.00
% of income	13%	16%	12%	14%
Single parent, 1 child, net weekly earnings of €450 & working family payment €153. Household income €603 per week	84.00	112.00	70.00	109.00
% of income	14%	19%	12%	18%
Couple with 2 children, earnings of €650 & working family payment €156. Household income €806 per week *	108.80	148.50	83.00	161.00
% of income	13%	18%	10%	20%
Couple with 2 children, 2 incomes: net weekly earnings of €650 & €200, plus €70 in child maintenance. Combined weekly income €920*^	111.50	129.00	83.00	144.00
% of income	12%	14%	9%	16%
*assumes the tenant is the principal earner				
*^assumes tenants partner has not signed the tenancy agreement				

Source: LGAS Questionnaire

Numerous factors contribute to the variances identified. These include household composition, rent caps, the nature of the income and the rate applied in calculation of rent. The impact of these variables is outlined in further detail in Section 3.2.

Ability to pay

Department guidance requires that rent levied is based on ability to pay and should increase as income increases. This guidance on progressive rent had been limited in its application. Twenty-five rent schemes have a fixed charge or impose caps on the rent charged for subsidiary earners. Of the remaining seven schemes, six do not jointly assess principal income. South Dublin is the only rent scheme that calculates rent on household income at the same rate for both principal and subsidiary income (SI) without rent caps, however, the headline rate applied in calculating rent is lower than in other rent schemes.

Households with annual net income of €480 per week (€25k per year) or under account for circa 45%⁵ of social housing tenancies.

33% of tenancies have net household income of between €481 and €865 per week (€25k to €45k per year). For households with lower income, ability to pay is an important consideration in determining how rent will be calculated under each rent scheme to ensure housing is affordable for those most in need of housing support.

However, circa 22% of tenancies have net weekly household income in excess of €865 per week (€45k per year) which exceeds the financial eligibility criteria applied to new applicants. Tenants that have had a material improvement in financial means since entering the social housing system may pay higher rents, however, there is a significant imbalance between the differential rent and market rent (Residential Tenancies Board Rent Indices Q4 2024) for households exceeding eligibility thresholds. This is demonstrated in Exhibit 5 below.

⁵ Housing Agency analysis of social housing income levels (2025)

Exhibit 5: Comparison of income and rent charges

No.	Family composition & earnings	Annual Net Income	Eligibility Threshold	Under/Over Threshold	Weekly Rent (rounded to the nearest €)		
					South Dublin €	Limerick €	Cork City €
1	Couple with 3 children 1 income €600 p/w **	31,200	45,000	Under	63	97	78
2	Couple with 2 children 1 income €600 p/w	31,200	44,000	Under	63	99	86
3	Couple with 3 children 1 income €800 p/w **	41,600	45,000	Under	83	135	105
4	Couple with 2 children 1 income €800 p/w	41,600	44,000	Under	83	137	108
5	Single person no children €800 p/w ***	41,600	40,000	Over	86	142	116
6	Couple with 3 children 1 income €1000 p/w	52,000	45,000	Over	116	173	135
7	Couple with 2 children 1 income €1000 p/w	52,000	44,000	Over	118	176	138
8	Couple with 3 children 1 income €1200 p/w	62,400	45,000	Over	156	211	165
9	Couple with 2 children 1 income €1200 p/w	62,400	44,000	Over	158	213	168
Market rents per RTB Rent Indices Q4 2024 **					502	342	338
<p>** Excludes any amounts receivable under the Working Parent Family Payment</p> <p>*** Potential to reduce weekly net in Cork City via pension contributions to qualify for social housing</p> <p>** Adjusted for weekly averages</p>							

Source: Calculations by LGAS

Hardship Clause

Each local authorities' differential rent scheme included a hardship clause. Three local authorities (Galway, Roscommon and Tipperary Co Co) first referred tenants to the Money Advise and Budgeting Service (MABS) for assistance in making the hardship claim. Clare County Council advised they have commenced this practice since the return of the questionnaire. Three others refer to the service in their rent schemes. The four local authorities included in Exhibit 6 were unable to confirm how many tenancies were charged rent on a hardship basis.

Exhibit 6: No details given for Hardship Clause cases

Local Authority	Date of last rent reviews	Comments
Cork City	Rent assessments for 23/24 and 24/25 ongoing. No global rent review for HAP as it is tenant led.	Hardship cases not specifically identified
Leitrim	Rent review in 2025. New differential rent scheme and will decide on future review policy. Tenant led for HAP etc.	Details on hardship cases not available
Mayo	Rent review in 2025 and intend to review every 2 years going forward.	Hardship cases not tracked on a case by case basis
Wicklow (Bray MD)	Last rent review carried out in 2019. Global review commenced August 2025. Amalgamation of rent schemes planned for Q1 2026.	N/A

Source: LGAS Questionnaire

Eight local authorities stated that they had zero tenancies on a hardship basis.

Twenty local authorities gave case numbers for tenants, who are being charged rent based on financial hardship considerations. Ten of these local authorities reported many of the financial hardship cases applied to HAP tenancies.

Three local authorities (Waterford, Wexford and Westmeath) included a HAP specific hardship clause that may be applicable when:

- A) The HAP monthly payment to the HAP landlord has already been increased to the maximum prescribed limit plus 35% and;

B) The tenants weekly outgoing rent still exceeds 30% of their total weekly income if on social welfare or 35% for those in employment as per Circular 29-2022. The tenant's total weekly outgoing on rent is calculated as the differential rent paid to the Housing Authority and any additional rent payment made to the landlord.

In such cases, the Housing Authority may agree at their discretion, to accept a smaller differential rent for a specified period from the HAP tenant.

In the case of Clare County Council under their differential rent scheme, they provide that, where a top-up payment is made to a private landlord, the differential rent may be reduced. Their returned questionnaire showed 308 (29% of HAP) tenancies, where the discretion clause was applied, had a rent of €5.

3.2 Variations in Rent Schemes across Local Authorities

The operation of the differential rent schemes varies significantly from one local authority to another and can be complex and difficult to follow. The differences include:

- treatment of Principal and Subsidiary earners;
- headline rate of percentage charge on assessable income;
- allowances for dependent children, those in full time education etc;
- what is included in assessable income and income disregards;
- the level of progressivity in the rents;
- the setting of minimum and maximum rents;
- local factors.

Principal Income

The following variations were identified in relation to what constitutes Principal Income (PI) for the purposes of calculating differential rent:

Exhibit 7: Comparisons of Principal Income treatment

Principal Income	No. of Rent Schemes
Tenant	2
Tenant & co-habiting partner/spouse	8
Highest earner	15
Highest earner & co-habiting partner/spouse	7

Source: LGAS Questionnaires

Income composition under schemes that do not jointly assess PI can have a direct impact on the differential rent and therefore charge a lower rent.

Exhibit 8 below illustrates differences arising under one rent scheme (Meath County Council) for a couple with combined net income of €1,000 per week:

Exhibit 8: Meath County Council rent calculations combined net income €1,000 per week

Principal Income	Rent charged
Principal Earner net income €650	152.50
Cohabiting partner/spouse of Principal Earner net income €350	10.00
Weekly rent (excluding allowances)	162.50
Principal Earner net income €1,000	195.00
Cohabiting partner/spouse of Principal Earner no income	-
Weekly rent (excluding allowances)	195.00

Source: LGAS Calculations

Exhibit 9: Average rents comparison for income levels

Averages across all differential rent schemes	PE €650 & spouse €350	PE €800 & spouse €200	PE €1,000
Average rent	149.90	161.52	170.79
% of income	15%	16%	17%
Average rent joint assessment	163.57	163.57	164.16
Average rent not jointly assessed	137.84	159.71	176.65

Source: LGAS Calculations

Subsidiary Earners and Subsidiary Income

The treatment of subsidiary income (SI) also varied by local authority. Twenty-five differential rent schemes had a maximum or fixed charge for each subsidiary earner ranging from €8.88 to €40 per week. Another four schemes applied a lower rate on SI than that applicable to PI. An example of how PI and SI is classified, and its impact on the calculated rent is included below:

Exhibit 10: Rent comparisons

Rent charge couple 2 children, one income of €650 per week	Donegal €	Leitrim €	Sligo €
Tenant is the principal earner	79.20	118.80	113.20
Tenant's partner/spouse is the sole earner**	79.20	118.80	52.00
**assumes the tenant's partner/spouse has not signed the tenancy agreement			

Source: LGAS Calculations

Donegal and Leitrim include the income of the principal earner's spouse/co-habiting partner as PI. Under the Sligo rent scheme, PI is the assessable income of the persons who have signed the tenancy agreement.

Percentage Rate on Assessable Income

Most local authorities charge rent on a percentage of assessable income, with some using a sliding scale according to income in determining the applicable rate.

Exhibit 11 below shows examples of headline rates charged by 15 local authorities.

Exhibit 11 Percentage charged on assessable income

Local Authority	Percentage rate on assessable income
South Dublin, Roscommon	10%
Louth	11% - 16%
Fingal	12%
Dublin City Council	15%
Dún Laoghaire-Rathdown, Mayo	16%
Galway City Council	17%
Longford	22.5%
Laois, Offaly, Westmeath	22%
Wexford	Up to 24%
Meath	Up to 25%
Bray MD	Tiered 20-40%

Source: Review of Local Authorities Differential Rent Schemes

Child Dependants

The majority (27) of local authorities operated either an element of income disregard or deduction from rent where the households had dependent children. There was variation in the reductions applied and the age limits applicable to those in full time education. The income disregards ranged from €10 to €20 for the purposes of calculating assessable income. The allowances to reduce weekly rent per child ranged from €1 to €7 per week. The reductions generally applied to children aged under 16 or under 18, and for those in full time education ranging in ages of under 21, 22 or 23 depending on each local authority. Most local authorities disregarded income where full time students had part-time earnings.

Assessable Income & Rates for Self Employed

The Household Means Policy (updated 2021) published by the Department, provides a standardised approach for assessment of eligibility for social housing support, however, this adoption of this policy was not mandated and not all rent schemes are aligned accordingly.

Thirty-three of the most common categories of income disregards along with the number of local authorities who disregard that income are included in Exhibit 12. Children's' allowance is the only income category disregarded by all rent schemes.

Exhibit 12: Income Disregarded in Differential Rent Schemes

Income Disregarded	Number of local authorities
Allowance received from any charitable organisation	17
Boarding out allowances	20
Back to education allowance	9
Back to school allowances	6
Back to work scheme	7
Blind supplementary welfare allowance	12
Carers allowance	18
Child allowance/orphans	32
Community Employment Scheme	19
Domiciliary care for handicapped children	31
Dietary allowance	9
Exceptional needs	11
Fuel allowance	26
Fostering allowance	22
Guardians payment	13
Higher education grants	22
Home tuition scheme	4
Homecare package	5
Infectious diseases maintenance allowance	4
Internship scheme	9
Lump sum compensation payments	17
Living alone allowance	22
Maintenance payments (court ordered)	7
Mobility allowance	6
Respite care support grants	4
Rent and Mortgage interest supplement	7
Rural social scheme	8
Scholarships	26
Social welfare increases for people aged 80 and over	17
Telephone support allowance/Household budget	6
Tús scheme	13
Vocational and Educational Training scheme provided by State	10
Working Family Payment	3

Source: Review of Local Authorities Differential Rent Schemes

Eleven local authorities provide in their differential rent schemes for an assumed level of income for self-employed, in the absence of other evidence, such as a Notice of Assessment from the Revenue Commissioners or other evidence of income. The assumed incomes were in the range of €400-€800 per week for taxi drivers, tradesmen and other categories. These assumed rates of income have been in place for several years, according to the differential rates schemes and do not reflect increases in the national minimum wage or weekly average earnings.

Maximum and Minimum Rents

Eight local authorities have maximum rents in place ranging from €25 to €423 per week in Dublin City Council (DCC). However, DCC stated that there was no tenancy currently paying their €423 maximum rent charge. A further ten schemes have fixed/maximum charges for pensioners or for temporary dwellings and one scheme charges an economic rent. Most of the local authorities with set maximum rents are based upon property size i.e. maximum rents for 1, 2 or 3 bed units. One local authority has a maximum rent charge of €25 per week for tenants aged over 65 years (in 1 bed units).

The range of minimum rents for local authority tenants is from €10.50 (1 bed) to €32 per week. The range of minimum rents is low and some of the rents have not been adjusted for a number of years. Only three local authorities have no minimum rent for local authority tenants.

Differential Rent Schemes Revisions

In 2025, seven local authorities revised their differential rent schemes. Twelve local authorities have a differential rent scheme that pre-date 2020; the oldest of these was 1998. In the case of Wicklow County Council, there is a second legacy scheme in operation for Bray MD, but since September 2024, all new tenancies operate under the Wicklow County Council scheme. A small number of local authorities have legacy fixed rate tenancies in place (until such time as the tenancy ends).

3.3 Rent Review Procedures

The global rent review process is administratively intensive and there is very little digitisation or automation involved, and therefore a need for the modernisation of procedures. A global rent review can take up to a year to complete, from posting out rent review forms and requesting their completion and return with the required documentary evidence, review by staff, and completion of the rent review. As the processes are mainly manual, any missing information requires follow up with the tenants, and this can be very time consuming, especially when dealing with large volumes. For this reason, some local authorities carry out reviews in batches (usually starting with the oldest accounts since last review).

Some local authorities do not have the ability to scan the documentation returned for the rent reviews (mainly due to server capacity issues) and therefore processing is paper-based and labour intensive.

Generally, priority is given to reviewing the local authority tenants on the differential rent schemes, especially where there are limited staff resources to perform the administratively burdensome reviews. The frequency of reviews of Private and AHB RAS, and various forms of leasing varied by local authority. Information provided by the Department showed that rent reviews were performed for 44% of private RAS, 13% of AHB RAS, and overall 28% of RAS cases had rent reviews in 2024. Some analysis of rent reviews in 2024 as per LGAS questionnaire returns is shown in Appendix 3.

In the case of Dublin City Council, a new rent scheme comes into place each year in line with the budget increases for social welfare recipients. Details are updated through a batch system upload. For other tenancies, rent assessments are carried out on an ad-hoc basis using lists of addresses printed from their database, with the aim to review each account annually. Tenants can also request rent review when their income or circumstances change.

Local authority staff have access to data provided by the Department of Social Protection. This is via the APi platform on the iHouse or similar housing system, operating in the local authorities. This shows current social welfare payments and income details for the prior year, although for self-employed, the income data may

not be updated until the end of Q1 of the following year. This data can assist the local authority in carrying out rent reviews; however, it would be more useful if current year earnings were available. This is discussed further under Section 4: Co-operation with other government departments.

Rent Reviews for Local Authority Tenancies

Five local authorities indicated they carry out annual rent reviews for local authority tenants, one of these also include HAP tenancies as part of the annual review.

Seven local authorities carry out global rolling reviews over two years (four of which also include HAP tenancies).

Eight local authorities stated that they perform global rent reviews every 2-3 years, in the intervening period, rent reviews take place where the tenants indicate a change in their circumstances, household, employment or income.

Nine local authorities carry out reviews every 4-5 years or on an ad-hoc basis. This includes a number of local authorities who advised that rent reviews were ongoing at the time of this study. One local authority stated that global rent reviews are not applied, instead they have rolling reviews from a priority listing of assessments (time/debt management arrears etc).

Under the remaining three rent schemes, reviews are tenant led. This includes Galway City and Wicklow County (including Bray Municipal District) who have advised they intend conducting global reviews following the introduction of a new rent scheme in 2025 and 2026 respectively.

Exhibit 13: Summary of rent review frequency for local authority tenancies

Policy	Number of Local Authorities	Local Authority
Annual	5	Cork City, Donegal, Dublin City (DSP payments only), Waterford, Westmeath
Biennial	7	Cork County, Clare, DLR, Fingal, Meath, Offaly, Wexford
2-3 years	8	Carlow, Cavan, Galway County, Laois, Louth, Monaghan, Roscommon, Kilkenny
4-5 years	3	Limerick, Sligo, Tipperary

Policy	Number of Local Authorities	Local Authority
Ad-hoc	6	Kerry, Kildare, Leitrim, Longford, South Dublin, Mayo (Dublin City for tenants not in receipt of DSP payments)
Tenant Led	3	Galway City, Wicklow County, Bray

Source: LGAS Questionnaire

HAP Tenancy reviews

It has been noted in local government audit reports that a number of local authorities have not undertaken large-scale reviews of HAP tenancies in a number of years. Nine local authorities have completed a global rent review of HAP tenants since the beginning of the scheme, however these are not performed on a regular basis. Twenty-two local authorities have never completed a global rent review of HAP tenants. These tenancies represent an ongoing and substantial cost to the Exchequer. In the interests of fairness and ensuring value for money, these tenancies should be given equal priority as local authority tenants for regular rent reviews.

The majority of local authorities stated that rent reviews for HAP tenancies are on an ad-hoc basis or are tenant led, when they are notified of a change in circumstances such household composition, employment or earnings etc. South Dublin indicated that they review HAP cases on an ongoing basis, starting with the oldest set-up, and are currently reviewing 2015 cases.

Nine local authorities indicated that they intend to undertake a rent review of HAP tenancies in 2025 (DCC, Galway County, Kerry, Kilkenny, Mayo, Offaly, Roscommon, Tipperary, Wexford).

Exhibit 14: Summary of rent review frequency for HAP tenancies

Policy	Number of Local Authorities	Local Authority
Annual	1	Waterford
Biennial	8	Cork City, DLR, Galway County, Kilkenny, Meath, Offaly, Roscommon, Wexford.
2-3 years	4	Carlow, Cavan, Laois, Monaghan.
Ad-hoc	7	Fingal, Galway City, Kerry, Kildare, Longford, Mayo, Tipperary.
Tenant Led	12	Clare, Cork County, Donegal, Dublin City, Leitrim, Limerick, Louth, Sligo, South Dublin, Westmeath, Wicklow County, Bray.

Source: LGAS Questionnaire

Arrears added to accounts following rent reviews

Fourteen local authorities indicated that for a global rent review, they do not apply a full debit for rent arrears to tenant accounts. Five indicated that they add arrears on accounts from the date of change in circumstances (which tenants did not notify at the time). Twelve local authorities indicated that some arrears are added to accounts either on a case-by-case basis, to a limited period (can be in weeks or years), or to a set 'Gale Day' as part of the global rent review.

For HAP rent reviews, there is a reluctance by local authorities (as discussed at site visits) to add arrears to accounts for differential rents because it may jeopardise the tenancy, and therefore lead to homelessness. They are aware that if arrears are applied and not addressed by the HAP tenant (paid off immediately or fail to enter into a payment plan), then this can ultimately affect their landlords' payment if the account proceeds to Suspension Stage of the Debt Management Process. There is no limit on the amount of arrears a local authority can charge to a HAP tenant. However, to date most have not backdated arrears on a HAP tenant with the exception of Galway County Council, who carried out a countywide rent review and have back charged HAP rent arrears.

A consistent policy approach for charging debits to rent accounts would ensure greater fairness across the sector. Whilst the onus is on the tenant to inform the local authorities about any changes in their circumstances, regular rent reviews requiring

tenants to update their circumstances would also ensure that correct rents are charged on accounts.

Credits on accounts

There was very little consistency in how the local authorities treated credits arising on accounts when rent reviews take place for local authority tenants and HAP tenants.

Several local authorities decide on a case-by-case basis how much credit to allow on the account and the period of backdating, if any. Some allow credits only on a current basis from the date of the review, or when the back-up documentation supports the change in household circumstances. Some local authorities put a maximum limit on the period of credit allowed on the account, ranging from a number of weeks to years.

Prevention and detection of fraud

A review of the rent review schemes showed that none referred specifically to tenancy fraud. Six schemes made reference to matters that would breach the tenancy agreement and could result in legal action. These are shown in the Exhibit below.

Exhibit 15: Extract from rent schemes referring to breach of tenancy agreement

Local Authority	Extract from Rent Scheme
Cork City	If the tenant does not declare any change in the household income, then they are in breach of the terms of their tenancy agreement.
Dún Laoghaire-Rathdown	To allow an adult to move into a council property without prior written approval from the Allocations Section is a breach of the tenancy agreement.
Galway City	Failure to provide income details when requested to do and failure to declare a change in 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.
Limerick City & County	The tenant shall notify LCC immediately of any change in income or in family circumstance and comply with the requirements of their letting agreement in this regard.
Roscommon	Where accurate information is not provided or where pertinent information is not updated in a timely manner, the rent owed by the tenant may be backdated to the date when income and/or

Local Authority	Extract from Rent Scheme
	circumstances changed. This may generate significant arrears which must be paid by the tenant. Unpaid arrears can result in legal action to recover possession of the rented dwellings.
Westmeath Co. Co.	If the tenant(s) does not declare changes in household or family circumstances immediately (within 4 weeks) they will be in breach of the terms of their tenancy agreement.

Source: Review of Local Authorities Differential Rent Schemes

As part of the review, a rent review form is completed and submission of supporting documentation is required (income evidence is usually three consecutive payslips, social welfare recent payment slip, recent payslip for pensions, evidence of payment for maintenance, set of accounts for self-employed or Notice of Assessment). Evidence required for new child dependants is a birth certificate and evidence of PPSN (for all household members). A letter from school or college should confirm children in full time education.

A review of rent assessment forms showed various levels of declaration that the tenant is required to sign. The Dún Laoghaire-Rathdown County Council (DLRCC) Rent Assessment 2025 form was among the most comprehensive noted during the review and provides a link to their website and their data protection statement. It also covers the exchange of information between Government Departments, the Revenue Commissioners and specified organisations such as DLRCC.

The rent review form for Cork City Council includes a Declaration Statement, which is signed by the tenants, consenting to the sharing of data with relevant authorities; that it is a true and accurate statement; and that prior written consent is required for additional members in the house. This statement is reproduced in Exhibit 16 for illustrative purposes.

Exhibit 16: Cork City Council Declaration

Declaration:

Cork City Council may, for the purposes of its functions under the Housing Acts of 1966-2014, request and obtain information from another housing authority, the Criminal Assets Bureau, An Garda Síochána, the Department of Social Protection, the Health Service Executive (HSE) or an approved housing body, in relation to occupants or prospective occupants of, the local authority housing. Data may be shared with other public bodies for the purpose of the prevention or detection of fraud. Please see overleaf for further information on data processing by Cork City Council.

I/We consent to the collection, processing and storage of the data provided by me/us by Cork City Council, and the sharing of this data with relevant agents for the purposes of calculation of rent.

I/We declare that the information provided above is a true and accurate statement of my/our household composition and household income.

I/We understand and accept that allowing any person(s) to stay or live with me/us without the prior written consent of Cork City Council is a breach of my/our Tenancy Agreement, and I/we will be subject to a Tenancy Warning if I/we do this.

Signed Tenant (1):

Signed Tenant (2):

Date:

Local authorities indicated that reporting of suspected fraud can be made via post, telephone or email to the various information email addresses. An example of good practice can be seen on a number of UK council websites that have the option to select from a drop-down menu, the area of suspected fraud, upload evidence to support the suspected fraud, and select to remain anonymous.

Penalties imposed

From discussions with local authorities, there are number of measures they take where tenants do not return the rent review forms (along with copies of required documentation) or refuse to engage and co-operate with the local authority staff in performing rent reviews. These measures include:

- Weekly penalties put onto the rent accounts pending return of information
- Withdraw provision of any property maintenance, except for emergency measures
- Withdraw tenants access to bid for available social housing on the Choice Based Letting system (CBL)
- Exclude the tenants house from ongoing energy upgrades in the area
- Disqualify tenants from applying for tenant purchase scheme

In order to obtain outstanding information to complete the rent review, some local authorities, where they have the staff available, will arrange a call-out to the tenants or refer them to the tenant liaison officer. Tenants can be requested to attend the council offices for a meeting to review their tenancy details, such as household composition and income details etc.

From a review of the questionnaires returned, where rent review forms and the required back up documentation has not been submitted, 16 of the local authorities imposed weekly penalties ranging from €20 to €170 per week. The maximum rent was applied by seven local authorities. Four local authorities used assumed income details (from the data available via the APi from the Department of Social Protection). There were no penalties applied by four of the local authorities.

3.4 Recommendations for Local Authority Rent Schemes and Rent Review Procedures

Full harmonisation of rents and rent charging structures (to eliminate inequities and such significant variances) can only be achieved under a national policy framework or universal rent scheme. Factors such as the headline percentage rate applied in calculating rent and a universal policy in relation to the application of credits or debits to accounts following a rent review require implementation at a national level. It is possible, however, to achieve a closer alignment between rent schemes through a number of changes prior to the implementation of a national rent scheme.

Recommended changes to rent schemes and the rent review process are as follows:

- Joint assessment of principal income to include the spouse or cohabiting partner;
- Subsidiary income should not be subject to a fixed charge. Upper thresholds on rent levied on subsidiary income should also be removed to facilitate closer alignment with market rent for households with higher income levels;
- Maximum rents should be abolished. Many of the maximum rents have been in place for a number of years and are incongruent with Circular HRT 3/2002, which states that rents should be based on ability to pay, and be progressive with rents increasing as income increases;
- Rent schemes should be updated to align assessable income with the Household Means Policy (updated 2021) published by the Department;
- Income levels, inflation and market rents can vary significantly over the medium term. Rent schemes should be reviewed every 3-5 years to ensure they remain as equitable as possible;
- Deemed income for self-employed tenants should be reviewed and updated regularly and/or linked to national industry pay rates;
- Non statutory deductions, such as pension contributions exceeding mandated contribution amounts under legislation, should not be deducted from assessable income;
- Sanctions for tenancy fraud should be clearly defined and consistently applied;
- Tenant documentation (including application for social housing) should ensure that the signed declarations clearly outline the roles and responsibilities of the local authorities and the tenants in the information provided, and include provisions for the sharing of data for the prevention and detection of fraud;
- Consideration should be given to a dedicated portal for reporting of suspected fraud cases. The link could be available via the local authority websites (with protection of anonymity) and provide drop down menu reporting options;
- Applications for the hardship clause should initially be referred to MABS;

- Rent reductions granted on hardship grounds should be time bound and monitored to ensure rent is reduced only as long as considered necessary. Local authorities should clearly flag rent accounts where the hardship clause was applied to reduce rent, in order to track and review these cases. Application of the hardship clause to HAP cases (due to the level of top-up payment made by the tenant to the landlord) should be recorded separately (and outlined in the differential rent scheme), as this was often the largest number shown as hardship cases in the returned questionnaires;
- Formal rent reviews of all tenancy types should be conducted at regular intervals, i.e. annually or bi-annually, depending on the resources available and volume of cases. HAP tenancies should receive equal priority in the selection of tenancies for review;
- Penalties for non-return of financial and household information should be included in rent schemes and applied consistently to encourage tenants to submit the required documentation as part of the rent review process;
- Increased automation of the rent review process to enhance efficiency, such as:
 - ❖ Completion of rent review forms online
 - ❖ Online portal to upload documentary evidence (such as payslips, proof of PPSN and birth certificates, bank statements)
 - ❖ Automated rent calculator;

The MyCoCo platform is operating in all local authorities (used for ICOB grant payments). This could present an online solution, if developed, to automate many aspects of the rent review process;

- Local authorities should further explore closer co-operation between the sector and the Department of Social Protection (DSP), which could include the sharing of data on each household; especially where they have had difficulties in obtaining up-to-date information for the purposes of a rent review;

- Enhanced data sharing arrangements (via a Memorandum of Understanding) should be explored between the Revenue Commissioners and the local authority sector (similar to the arrangements in place with DSP) whereby Real Time Lookup (RTL) provides more current income information.

4 Co-Operation with Other Government Departments

One local authority outlined that joint operations take place with their staff and the DSP Special Investigations Unit (SIU). An area is selected for review, and their data is shared for house-to-house calls conducted by two-member teams, one from each sector.

The recent joint operations initiative has opened a line of communications between the local authorities and the SIU in the southern region. The main results of the residency checks were:

- Vacant/abandoned houses identified;
- Unregistered tenants in house (who were not on social welfare claim and not approved by the local authority);
- Tenants with undisclosed income;
- Couples cohabitating or not which may/may not agree with social welfare claim;
- Condition checks of the properties and gardens;
- Welfare checks;
- Ripple effect whereby soon after the joint operation has taken place, residents in adjacent areas contact the local authority informing them of changes in their household composition and income.

Data sharing with other government departments

DSP operate a Memorandum of Understanding with the Revenue Commissioners whereby they have RTL of income details for their clients on the Revenue Commissioners' system. However, the staff in the SIU stated that they use this as a guide, and would also request payslips from the client or approach their employer to verify income details.

The local authorities have access to income data from the previous year (via the API system on the iHouse platform or similar platforms operated in some local authorities). This is a facility provided by DSP showing current social welfare payments and prior year income/contributions data. Only details for those who have

been assessed for social housing can be viewed on the API system and a full audit trail is available of staff queries made to the system. In the questionnaire circulated for this report many local authorities cited the availability of real time income details would be of great assistance in assessing differential rents.

It would be beneficial to explore the possibility for the local authority sector to obtain RTL access to income details from the Revenue Commissioners in the same way as DSP have via a Memorandum of Understanding⁶. This would lead to better and more timely information for rent assessments and have great efficiency for the local authority in verification of income and employment information for the purposes of calculation of differential rent etc.

Deductions at source from social welfare payments

Local authorities noted that, since Covid-19, there has been a fall-off in the number of tenants who opt to pay their rent using the household budget facility, whereby deduction is made and paid over to the local authority when social welfare payments are made in the post office. Twenty-four local authorities provided percentages of tenants using this payment method and this ranged from 10% to 33%. Therefore, there is scope for promotion of this payment method with tenants on social welfare payments.

A number of local authorities recommended the deduction of rent at source from social welfare payments.

A working group was established in 2021 comprising of representatives from the Department, DSP, the Local Government Management Agency and the County and City Management Association to examine this issue and explore the feasibility of introducing a system of direct deduction from source for local authority rent payments. In the discussions that took place, a range of practical and operational issues were identified and included:

⁶ Information sharing is in accordance with the provisions of Section 261 of the Social Welfare Consolidation Act, 2005 and the provisions of section 41(b) of the 2018 Data Protection Act in order to assist in the prevention and detection of fraud.

- The resource implications and the administrative burden for DSP to liaise directly with 31 individual local authorities operating 32 separate differential rent schemes;
- Many social welfare payments are temporary in nature and there is a high degree of churn among the social welfare client base;
- The necessity to ensure that claimant's social welfare payment does not fall below a particular threshold;

It was agreed to defer further work in this area pending the introduction of a National Rent Framework.

5 Rent scenarios differential rent comparisons

As part of the questionnaire sent to all local authorities, six household scenarios were presented for them to provide the rent calculations under their differential rent schemes, for comparative purposes, as outlined below.

Exhibit 17: Summary of rent calculations for household scenarios

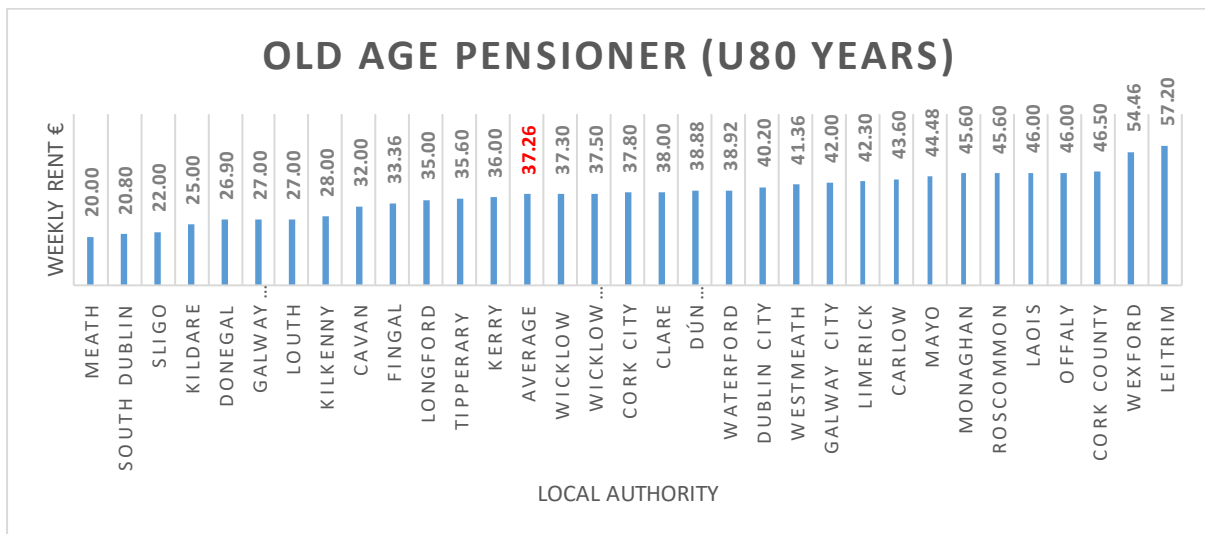
	Scenario	Household	Income	Lowest rent	Average rent	Highest rent
1	Old age pensioner	Single, living alone (Under 80)	Non-contributory Pension & living alone allowance €300 per week	€20 Meath	€37.26	€57.20 Leitrim
2	Retired couple with adult children.	Parents in 70's, 2 adult children in 40's living with them	Both parents on contributory pension. 1 adult child on jobseekers allowance, second adult child earning €400 per week. Household income €1,222.60 per week	€79 Kerry	€129.79	€198 Galway City
3	Couple with 2 children, 1 income	Parents in 40's, 2 children under 16	Stay at home mother. Father's earnings €650 & Working Family Payment (WFP) of €156 per week. Household income €806 per week	€68.00 South Dublin	€133.44	€212.50 Bray M.D.
4	Couple with 2 children, 2 incomes	Parents in 30's, 2 children (17/12)	Father earns €650, Mother part-time work €200 plus maintenance older child of €70 per week Household income €920 per week	€83 Kerry	€139.29	€195.75 Longford
5	Single parent, 1 child	Mother with 3 year old child	Mother works earning €450 & Working Family Payment €153. Household income €603 per week	€48.00 South Dublin	€99.85	€134.70 Meath

	Scenario	Household	Income	Lowest rent	Average rent	Highest rent
6	Couple with 3 children, 2 incomes		Mother (tenant) earns €400 and partner earns €750 per week Household income €1,150 per week	€83 Kerry	€163.32	€247.50 Longford

Note: Amounts included for earnings are net of deduction of statutory deductions

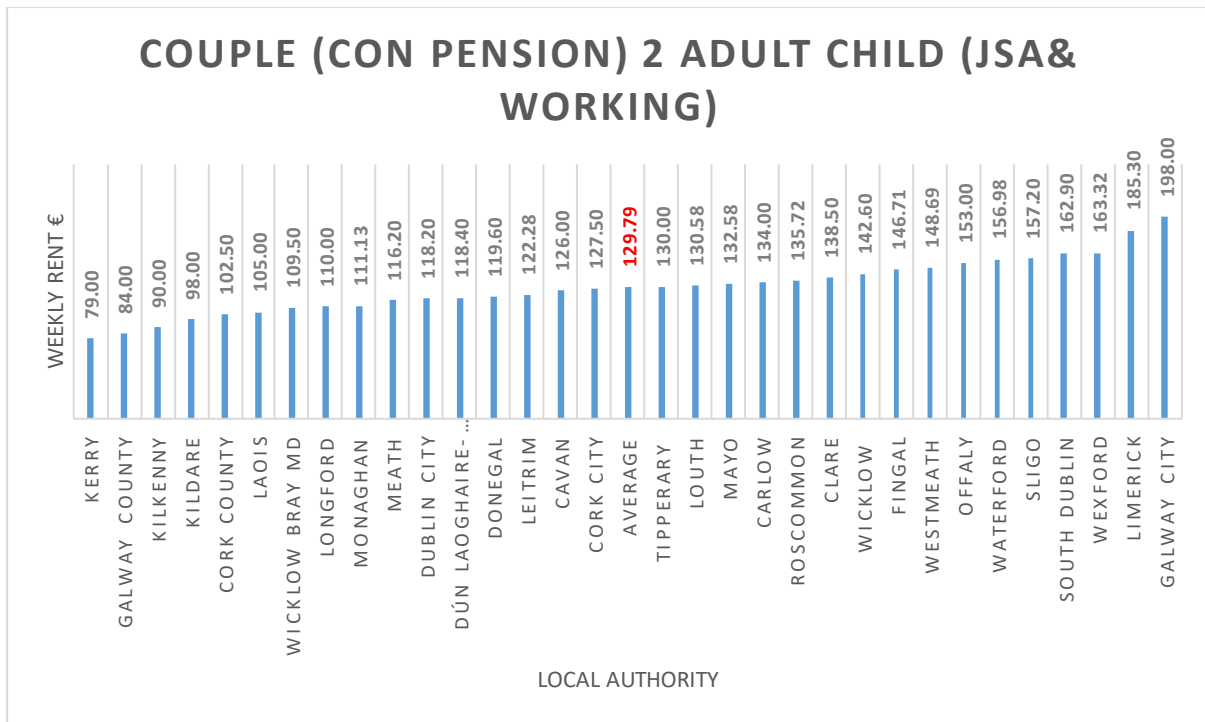
Source: LGAS Calculations

Scenario 1: Old age pensioner under 80 years, single and living alone, on non-contributory pension (€278 p/w) and living alone allowance (€22 p/w). The average rent was €37.26 per week.



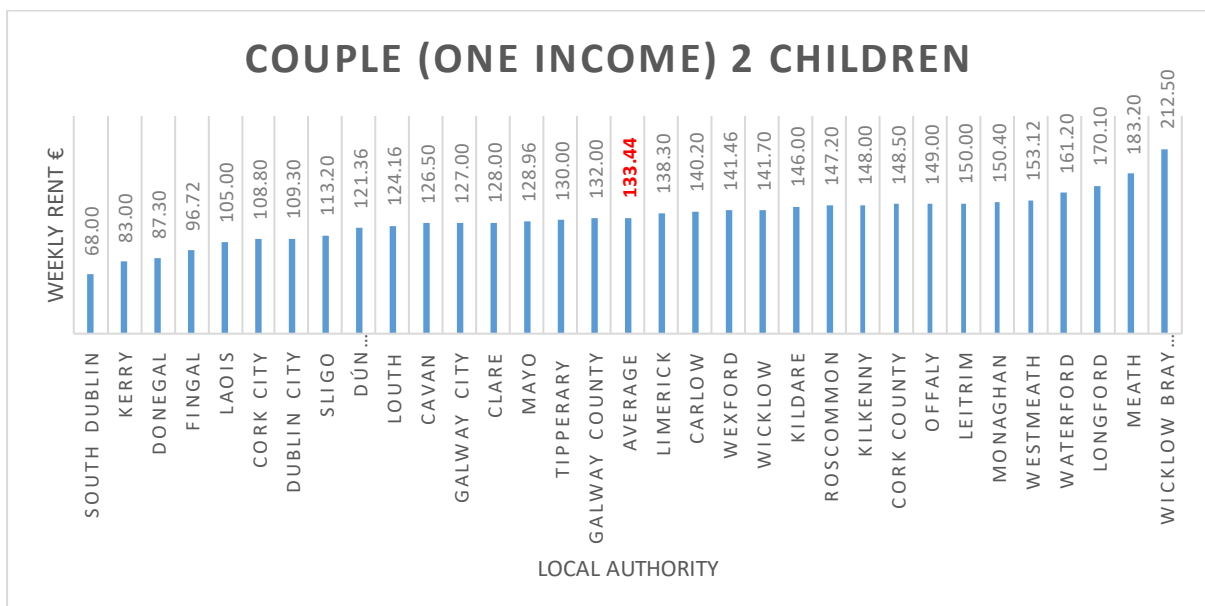
Bar chart showing rent by local authority for scenario 1

Scenario 2: Couple with adult children, the parents are in their 70's on contributory pension (€289.30 each p/w). The two adult children living with them, one is on jobseekers allowance (€244 p/w), the second is working earning €400 per week. The average rent was €129.79 per week.



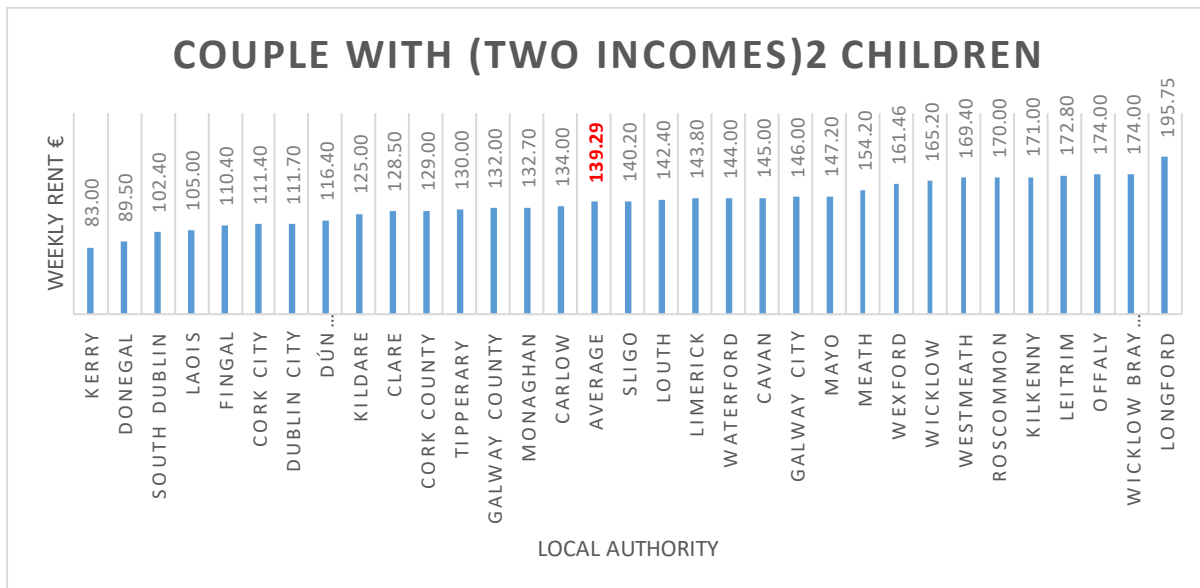
Bar chart showing rent by local authority for scenario 2

Scenario 3: Couple with two children, one income, the parents are in their 40's and children aged 14 and 12. The mother stays at home, and the father's income is €650 per week and WFP €156 per week. The average rent was €133.44 per week.



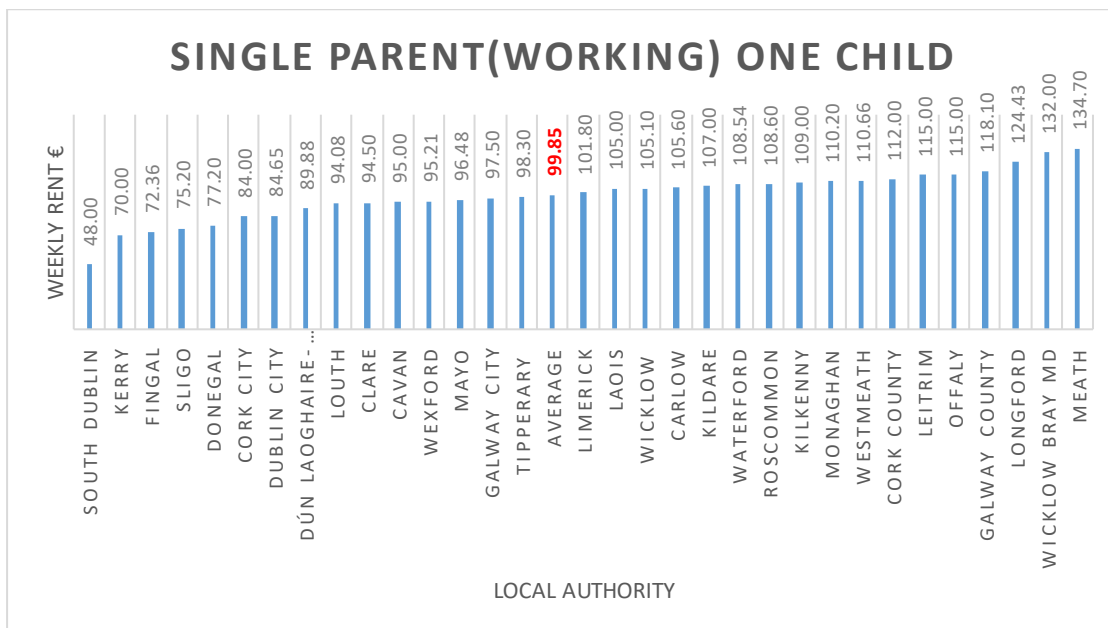
Bar chart showing rent by local authority for scenario 3

Scenario 4: Couple with two children, two incomes, the parents are in their 30's and the children are aged 17 and 12. The father earns €650 per week, and the mother works part-time earning €200 per week plus maintenance received for the older child of €70 per week. The average rent was €139.29 per week.



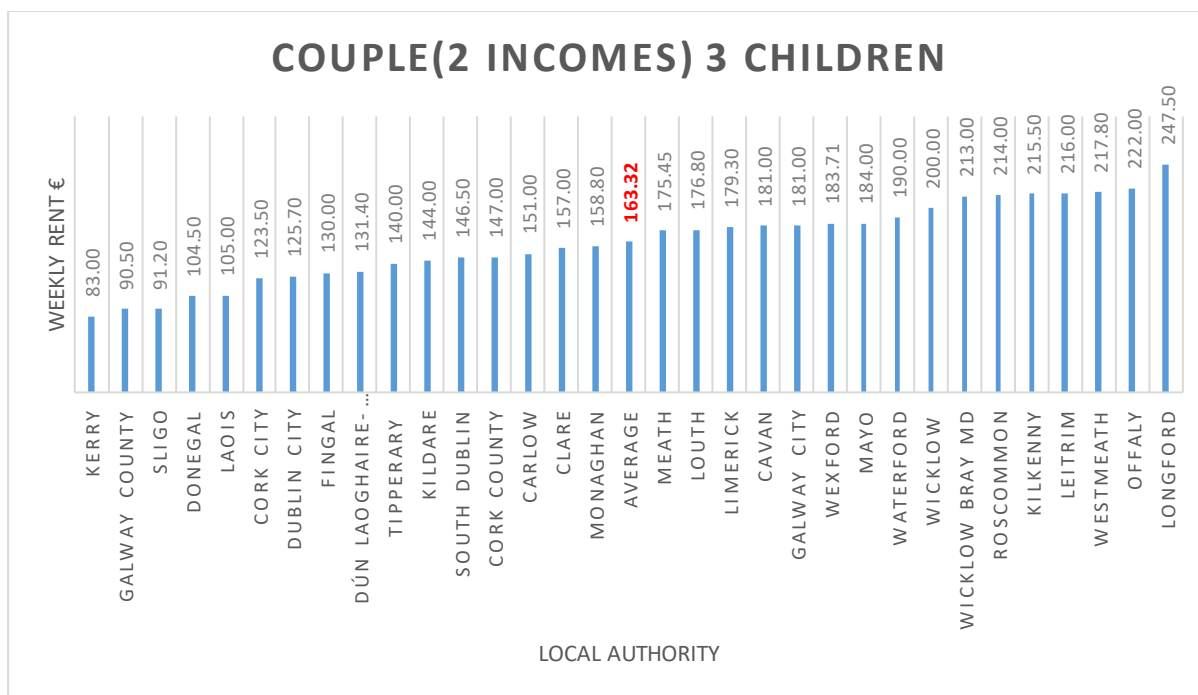
Bar chart showing rent by local authority for scenario 4

Scenario 5: Single parent with one child. Mother is working earning €450 per week, and WFP €153 per week. The average rent was €99.85 per week.



Bar chart showing rent by local authority for scenario 5

Scenario 6: Couple with three children and two incomes: €750 (partner of the tenant) & €400 (tenant) per week. The average rent was €163.32 per week.



Bar chart showing rent by local authority for scenario 6

Source: LGAS questionnaire on rent/HAP reviews (as calculated by each local authority as per their differential rent scheme).

Conclusion

The above scenarios demonstrate that there is a wide variation in the rents charged by local authorities for households with the same income and circumstances. These rent charges are not influenced by the property condition, age or current market rents for the area. Depending on the local authority differential rent scheme, treatment of types of income, disregards and other earners in the household, the rent charged can be more than double that of other local authorities. A national rent scheme or standardised approach for rent assessments would ensure the principles of equity and progressivity are maintained, whilst allowing for dependents and including hardship arrangements.

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- Local authorities - Housing sections
- The Housing Agency
- Local Government Auditors in each local authority

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Local Authorities websites – Differential Rent Schemes

Residential Tenancies Board Rent Indices

Appendices

Appendix 1 Summary Details of Existing Local Authority Rent Schemes at January 2025

Appendix 2 Rent Reviews in 2024

Appendix 3 International Comparisons

Appendix 4 Table of Recommendations

Appendix 1 Summary Details of Existing Local Authority Rent Schemes at January 2025

Local Authority	Rent Charge	Allowances	PI joint inc.	Max. Rent per week	Min. Rent per week	Hardship Provision	Other Comments	Date Effective
Carlow	<p>Principal Earner: 20% of assessable income in excess of €60.</p> <p>Subsidiary Earner: 20% of income in excess of €60 to max €22 per Subs earner.</p>	€3 for each dependent child under 18 and over 18 in full time education with no income.	No	Dwelling €180 Demountable €25 Halting site bay €30.	€27	Yes	Rounding to nearest €. If the tenant is a couple both receiving social welfare payments, combined income is principal income.	04/06/2016
Cavan	<p>Principal Earner: 12.5% of assessable income up to €260 and 16% in excess of €260.</p> <p>Subsidiary Earner: 14.29% of income in excess of €25 to max €20 per Subs earner.</p>	€7 for each dependent child 16 and under or under 21 in full time education. €20 deduction per pensioner in receipt of state pension.	Yes	No	€30	Yes	Rounding to nearest 50 cent.	01/08/2023

Local Authority	Rent Charge	Allowances	PI joint inc.	Max. Rent per week	Min. Rent per week	Hardship Provision	Other Comments	Date Effective
Clare	<p>Principal Earner: 17% of excess over €40 assessable income of highest earner.</p> <p>Subsidiary Earner: 10% of income is added to rent (except those under 25 years on reduced rate of social welfare who shall pay €5).</p>	<p>€7 deduction in assessable income per dependant under 16 (or under 21 in full-time education and supported by principal earner).</p> <p>€15 deduction in assessable income for each household member over 60 (€10 for each household member over 80).</p>	No	No	€30. Service Bay €20.	Yes	<p>Rounding to nearest 50c. €3 per week waste management charge applies to complex with communal bin charges.</p> <p>Couples with separate social welfare income assessed on basis of joint social welfare claim.</p>	13/03/2023
Cork City	<p>Principal Earner: 15% of excess over €39 (or €54 where there is a dependent adult with no income) for highest earner.</p> <p>Subsidiary Earner: 15% of</p>	€20 deduction in calculation per dependant under 18 (or under 22 in full-time education).	No	No	€24.30	Yes	Additional heating/boiler charge may apply. Rounding to nearest 10c.	01/03/2023

Local Authority	Rent Charge	Allowances	PI joint inc.	Max. Rent per week	Min. Rent per week	Hardship Provision	Other Comments	Date Effective
	income in excess of €44.40 to a maximum contribution of €23.80 per Subs earner.						Penalty rent of €25 per week whilst awaiting household income details.	
Cork County	<p>Principal Earner: Highest earners income up to €140 = €17.50 plus 21% of any income over €140.</p> <p>Subsidiary Earner: 1/7 of income of each subsidiary earner in excess of €23.50 up to a max of €10 each.</p>	Rent reduced by €3 per week for each dependent child under 18 and every adult resident with no income.	No	No	€25 €10 demountable.	Yes	<p>Rounded to the next 50c.</p> <p>€170 rent per week where tenant fails to return a rent assessment form.</p>	20/02/2021
Dún Laoghaire-Rathdown	<p>Principal Earner: 16% of assessable income in excess of €35 for highest earner.</p> <p>Subsidiary Earner: 16% of all income capped at max €20 per subsidiary.</p>	Rent reduced by €1 for each dependent child under 18 or under 23 in full time education earning less than €100.	No	No	€22	Yes	Additional heating/boiler/waste management charge may apply.	04/01/2025

Local Authority	Rent Charge	Allowances	PI joint inc.	Max. Rent per week	Min. Rent per week	Hardship Provision	Other Comments	Date Effective
Donegal	<p>Principal Earner: 1/7 of assessable income of principal earner up to €200, 1/6 of income over €200.</p> <p>Subsidiary Earner: 1/7 of income in excess of €30 of each subsidiary earner subject to a max of €26 each.</p>	€2.20 for each dependent child up to 16 or under 21 in a full time course of education or maintained.	Yes	Max rent of €72 if household net income < €500 plus €1 for every €20 in excess of €500.	€17	Yes	Specific rent where all senior citizens of 66 or over: €26.90, plus €13.50 for each additional senior citizen. Increase capped at €10 per calendar year unless due to new member. Rounding to 10c.	06/07/2024
Dublin City	<p>Principal Earner: 15% of assessable income in excess of €32 for a single person or in excess of €64 for a couple. Where a spouse/partner is in receipt of any weekly income over €32, the couple allowance will not apply.</p> <p>Subsidiary Earner: 15% of assessable income in excess of €32 (single) or €64</p>	Deduction of €1 per week for each child (up to 18 or up to 22 in education).	No	Bedsit €257, 1-bed €301, 2-bed €313, 3-bed €401, 3+ bed €423.	Yes. €30 plus relevant property charges where appropriate.	Yes	Various heating charges specific to dwelling may apply. €3 waste charge for Part V and universal bin in flats.	29/03/2024

Local Authority	Rent Charge	Allowances	PI joint inc.	Max. Rent per week	Min. Rent per week	Hardship Provision	Other Comments	Date Effective
	(couple) to a maximum of €21 per person to a maximum of €84 per household.							
Fingal	Principal Earner: 12% of assessable income. Subsidiary Earner: 12% of income to a maximum of €40 per week per subsidiary earner.	None	No	No	€22	Yes	Charges for additional services may apply.	29/04/2017
Galway City	17% of assessable income of principal and subsidiary earners.	Deduction of €5 from rent for each dependent child 16 or under (under 22 in full time education) and old-age pensioner (OAP).	Yes	No	€32 Where fixed rent at halting site it will be €25 per week.	Yes	€2 waste charge if management fee payable by LA, heating charge is possible. Rounding to nearest €.	01/07/2019

Local Authority	Rent Charge	Allowances	PI joint inc.	Max. Rent per week	Min. Rent per week	Hardship Provision	Other Comments	Date Effective
Galway County	<p>Principal Earner: €17 of first €100 income of assessable tenant, 20c per each additional euro over €100;</p> <p>Subsidiary Earner: 1/7 of other occupant income in excess of €25 up to a max of €16 each; €2 per week for LPT.</p>	€1.50 for each dependent child under 18 or under 22 in full time education.	No	€132	€27	Yes	Specific rent for OAPS: OAP single €27, OAP and qualified adult €47, OAP x 2 €52, OAP and earner €25 added to tenant or non-tenant rent plus €2 LPT charge. Rounding to nearest 10c.	11/03/2017
Kerry	<p>Principal Earner: €15.50 of first €140 assessable income of highest earner (based on combined couple incomes) plus 20c per each additional euro over €140;</p> <p>Subsidiary Earner: 10% of income to a max of €15 each.</p>	€2 per week for each child 16 or under or under 21 in full-time equivalent (FTE).	Yes	1-bed €66, 2-bed €70, 3-bed €79, 4-bed €83, Housing Units €50.	Where the household income is less than €140, minimum rent of €15.50 per 3/4 bed and €10.50 per 1/2 bed.	Yes	Where the sole source of income is social welfare, it is considered that no more than 15% of any increase in income should be absorbed by an increase in rent.	01/07/2014
Kildare	Principal Earner: Per a progressive schedule	€4 per week for principal earner;	No	€25 for 1 bed and tenant	No	Yes	Rounding to nearest €.	20/11/2019

Local Authority	Rent Charge	Allowances	PI joint inc.	Max. Rent per week	Min. Rent per week	Hardship Provision	Other Comments	Date Effective
	whereby highest earner income up to €100 rent is €15, highest income of €1,010 will pay €194 rent. Subsidiary Earner €10 per subsidiary earner with income in excess of €100.	€1.50 deduction from rent per child up to 18 or under 23 in FTE with no source of income.		over 65, no max for 2,3,4 bed.				
Kilkenny	Principal Earner: 1/6th of the assessable income between €38 and €114 and 1/5th of the assessable income over €114. Subsidiary Earner: Social welfare recipient = 1/7th of the income in excess of €32 subject to a maximum contribution of €20 per week per Subs earner. Employed = 1/7th of the income in excess of €32 to a maximum	€1.50 per child under 16 or under 21 in full time education.	Yes	None 2 OAPs in house with only state pension subject to max rent €45pw.	€28 Fixed rent: prefabs €5 Demountable €12.50.	Yes	€5 refuse charge if management fee payable by LA. Rounding to nearest 50c. Specific rents for OAPs: Living alone: €28 Couple: calculated on both to a maximum of €45 per week.	01/01/2020

Local Authority	Rent Charge	Allowances	PI joint inc.	Max. Rent per week	Min. Rent per week	Hardship Provision	Other Comments	Date Effective
	contribution of €25 per week per Subs earner.							
Laois	<p>Principal Earner: 22% of assessable income above €70 of highest earner.</p> <p>Subsidiary Earner: 22% of assessable income above €70 to a max of €16 per subsidiary.</p>	Allowance of €20 per dependent adult and €10 per child up to 16 or under 21 in full time education.	No	3+ beds €105 2-bed €90 1-bed €83	Standard house €24 2 bed maisonette/apt €21.50 1 bed maisonette/apt €20.	Yes	Fixed rent for demountable €10. Rounding to nearest 50c.	14/01/2023
Leitrim	<p>Principal Earner: 20% of assessable income of highest earner plus partner income.</p> <p>Subsidiary Earner: 10% of income to a max of €8.88 per subsidiary.</p>	€14 for each person residing full time in house.	Yes	A fixed percentage of 5.25% of the original all-in-cost updated in accordance with the Value of Money Table.	€10.15 for family houses, €7.62 limited accommodation dwellings, €5.08 demountable.	Yes - No less than 6% of household income.	Rounding to the nearest €1.27.	17/04/1998

Local Authority	Rent Charge	Allowances	PI joint inc.	Max. Rent per week	Min. Rent per week	Hardship Provision	Other Comments	Date Effective
Limerick	<p>Principal Earner: 14.5% on the first €275 of assessable income of principal earner plus 19% of any additional income</p> <p>Subsidiary Earner: 14.5% of income of subsidiary earners in excess of €26.50.</p>	€12 per child up to 17 or under 21 in FTE.	No	No	€30	Yes, but no less than €30.	Fixed rent for demountable €20, halting bays €30. Additional LPT charge. Additional management charge may arise. Rounding up to 50c.	03/02/2020
Longford	<p>Principal Earner: 22.5% of assessable income of tenant plus partner in excess of €50</p> <p>Subsidiary Earner: €20 per Subs earner.</p>	None	Yes	No	€30 Demountable min. €7 per week.	Yes	<p>Rounding up to 50c.</p> <p>Tenants over 65 charged fixed rent of €35 each, if only one person over 65 rent is €35 plus 22.5% of assessable income exceeding €50.</p> <p>Halting Bay €15, Demountable €22.</p>	08/11/2023

Local Authority	Rent Charge	Allowances	PI joint inc.	Max. Rent per week	Min. Rent per week	Hardship Provision	Other Comments	Date Effective
Louth	<p>Principal Earner: 11% of assessable income of tenants (includes joint and spouse/partner) up to €253.99; 13% of €254 to €306.99; 15% of €307 to €381.99 and 16% of anything over €382 with disregard of €15 per maintained child under 23.</p> <p>Subsidiary Earner: 1/7 of assessable income to a max of €19 each.</p>	€15 per dependant under 18 (or under 23 who is supported by the tenant).	Yes	<p>For state pensioners only - single €27/ couple €65.</p> <p>For sole tenant under 26 on social welfare only, max of 11%.</p>	€25	Yes	<p>Rounding to 50c.</p> <p>Additional charge where development has management or maintenance fee.</p> <p>Additional €1 per week for local property tax (LPT).</p> <p>Discretion to charge a higher rent where exceptionally high household income.</p>	26/09/2024
Mayo	<p>Principal Earner: 16% of assessable income of tenant and spouse/partner.</p> <p>Subsidiary Earner: 10% of assessable income of each subsidiary earner to a max of €20 each.</p>	None	Yes	No	€30	Yes	<p>Fixed rent for demountable or caravan: €30</p> <p>Halting bays €40</p> <p>Rounding to 50c.</p>	01/01/2018

Local Authority	Rent Charge	Allowances	PI joint inc.	Max. Rent per week	Min. Rent per week	Hardship Provision	Other Comments	Date Effective
Meath	<p>Principal Earner: €28 for highest earner income up to €152 with each additional euro over €152 charged at 25%</p> <p>Subsidiary Earner: €10 per each Subs earner.</p>	<p>€3.80 principal earner.</p> <p>€2.25 for each of the first 2 children and €3.75 for each subsequent child (Dependent defined as under 25 in FTE).</p> <p>€11 for over 66 years receiving state pension and qualified adult.</p>	No	€195	€28	Yes	Rounding to 10c.	01/01/2024
Monaghan	<p>Principal Earner: 20% of assessable income of highest earner having deducted.</p> <p>Subsidiary Earner: 5% of income.</p>	<p>€50 deduction in assessable income plus €2 per dependent child (up to 18 with no income or under 23</p>	No	No	No	Yes	<p>Rounding to 50c.</p> <p>Social welfare incomes jointly assessed for principal income.</p>	01/06/2022

Local Authority	Rent Charge	Allowances	PI joint inc.	Max. Rent per week	Min. Rent per week	Hardship Provision	Other Comments	Date Effective
		in education and mainly maintained).						
Offaly	<p>Principal Earner: 22% of assessable income in excess of €70 of tenant (no partner) or in excess of €110 of combined income of tenant and partner.</p> <p>Subsidiary Earner: 22% of assessable income in excess of €70 to a max of €25 per subsidiary.</p>	€10 per child under 16 or under 23 in FTE if maintained	Yes	5.25% of the 'All-in' unit cost ceilings (per Department) for new build social housing schemes and divided by 52.	Older person €19 2-bed €25 3+ bed €30 Prefab €14 €15 flat rate for all bays.	Yes	Rounding to €. Certain charges for thermal heating under OPD scheme, bin/utility charges agreed with AHBs as part of service level agreements (SLAs).	26/08/2022
Roscommon	<p>Principal Earner: 10% of assessable PI (of tenant/s plus partner or highest earner) on first €100, balance at 20%;</p>	€10 per child up to 18 or under 21 in FTE.	Yes	No	3+ bed €25 2-bed €20 1-bed €15 Elderly €15 Demountable with services	Yes	Rounding to 10c.	01/06/2024

Local Authority	Rent Charge	Allowances	PI joint inc.	Max. Rent per week	Min. Rent per week	Hardship Provision	Other Comments	Date Effective
	Subsidiary Earner: 10% of assessable income to a max of €15 each.				€10 & without €3, Bay €20.			
Sligo	<p>Principal Earner: For tenant/s, rates of €22 up to €52 according to progressive schedule - with income over €324 assessed at 20%.</p> <p>Subsidiary Earner: 10% of non-tenant income up to a max of €30 each.</p>	€2 per child up to 16 or under 21 in full time education (€5 per week per child up to 18 or under 21 in FTE if former tenants of Sligo Borough Council).	No	OAP living alone €22. OAP couple only €36.	€22	Yes	<p>Max annual increases of €30 if no change to household.</p> <p>Rounding to €.</p> <p>Fixed rent: Demountable €11</p> <p>Un-serviced demountable €10 /Caravans & Mobiles €8.</p>	27/04/2020
South Dublin	<p>10% of aggregated assessable household income plus €3.</p> <p>A further 10% charge on income exceeding social housing eligibility thresholds.</p>	€10 discount per household where all occupants are 65+ and social welfare income only.	Yes	No	€27.40	Yes	Council reserves the right to apply additional charges for services such as waste, management fees etc.	01/01/2025

Local Authority	Rent Charge	Allowances	PI joint inc.	Max. Rent per week	Min. Rent per week	Hardship Provision	Other Comments	Date Effective
Tipperary	<p>Principal Earner: €20 per first €200 of highest income (or both incomes where a couple's income is social welfare payments) and 20% thereafter.</p> <p>Subsidiary Earner: 10% of income to a max of €40 each.</p>	€2.30 per child under 16 or under 21 in full time education.	Yes	4-bed €140 3-bed €130 1/2 bed €120.	€20	Yes	<p>Specific rent for travellers: moving from a halting site pays 50% of the differential rent for the first year.</p> <p>Halting site bay: €15.</p> <p>Bay converted to house €25.</p> <p>Demountable €15.</p> <p>Specific rent for Works in Lieu Scheme.</p> <p>Rounding to nearest 10c.</p>	02/07/2018
Waterford	<p>Principal Earner: (Highest Earner) Up to €250 @ 13%, up to €350 @ 14%, up to €425 @ 15%, up to €600 @ 16%, up to €700 @ 18%, above €700 @ 20%.</p>	None	No	<p>Demountable €14.50.</p> <p>Carers Allowance sole income: €26.</p>	€26	<p>Yes - must avail of MABS to qualify.</p> <p>HAP Specific</p>	Rounding to €1.	02/11/2020

Local Authority	Rent Charge	Allowances	PI joint inc.	Max. Rent per week	Min. Rent per week	Hardship Provision	Other Comments	Date Effective
	Subsidiary Earner: 10% of income.					hardship clause.		
Westmeath	<p>Principal Earner: 22% of income in excess of €70 (one earner) or €110 (multiple earners) of principal earner (higher of income of joint tenants or of tenant plus cohabitee).</p> <p>Subsidiary Earner: 22% of income in excess of €70 subject to max €25 per subsidiary earner.</p>	<p>€20 per dependent adult.</p> <p>€10 for each dependent child.</p>	Yes	5.25% of the current "all-in" unit cost ceiling divided by 52.	€15 for OPD, €26 for others.	Yes and HAP hardship provision.	<p>Rounding to €1.</p> <p>Additional charges may be applied.</p> <p>Fixed rents of €15 for halting site bay, €10 Demountable €15 for OPD where tenant 75+.</p>	24/02/2022
Wexford	<p>Principal Earner: €30 for first €171 income of highest tenant or partner earner and 24% thereafter.</p> <p>Subsidiary Earner: 1/7 of income exceeding €25 to a max of €20 each.</p>	<p>€1.75 for each of the first 4 children under 16, €3 for the 5th and subsequent under 16 child; €3 per child between 16 and 21 in FTE;</p>	No	None	€30	Yes - reduced rate not less than 6% of household income.	<p>Fixed charges:</p> <p>Rent for mobile/caravan is €13.50 (€11.50 if 66+), residential bay €12.50, serviced bay €6.35.</p>	08/07/2019

Local Authority	Rent Charge	Allowances	PI joint inc.	Max. Rent per week	Min. Rent per week	Hardship Provision	Other Comments	Date Effective
		€4.50 if the principal earner is 66 or over and €2 if on invalidity pension; €2 if lone tenant on social welfare only.				HAP specific hardship clause		
Wicklow	<p>Principal Earner: €24 plus 20% of assessable income of tenant and partner in excess of €188.</p> <p>Subsidiary Earner: 20% of income in excess of €30 (max of €27 per subsidiary) less €5 per child up to 18 or in FTE) multiplied by 3%. Permanent halting site bay fixed €27.</p>	€6 per State pensioner if tenant is 65+.	Yes	€200	€27	Yes	Rounding to nearest 10c.	15/02/2014

Local Authority	Rent Charge	Allowances	PI joint inc.	Max. Rent per week	Min. Rent per week	Hardship Provision	Other Comments	Date Effective
Bray	<p>Principal Earner: €24 on first €220 plus 20% on next €130 plus 30% on next €200 plus 40% thereafter of highest earner.</p> <p>Subsidiary Earner: 10% of subsidiary income in excess of €30 to a max of €24 each. Fixed rent of €24 per halting site bay and homeless accommodation.</p>	€1 per dependent child up to 18 or under 22 in FTE.	Yes	No	€24	Yes	€2 per week boiler charge where central heating installed, €5 per week re universal bin in apartment complex.	08/02/2014

Source: The information in this Appendix is based on a review of local authority Differential Rent Schemes in January 2025.

Appendix 2 Rents Reviews in 2024

Local Authority	% of LA tenancies reviewed in 2024	% of HAP tenancies reviewed in 2024	Commentary
County Councils			
Carlow	22%	41%	In 2023, similar percentages of cases for LA and HAP were also reviewed.
Cavan	95%	29%	In 2023, approx. half of HAP cases reviewed.
Clare	53%	50%	In 2023, similar percentages of cases for LA were also reviewed.
Cork	74%	15%	HAP reviews are tenant led.
Donegal	84%	18%	HAP reviews are tenant led.
Dún Laoghaire-Rathdown	70%	0%	Rolling with target approach to have rent review on accounts every two years.
Fingal	28%	18%	
Galway	8%	19%	New rents team established in 2025 to review all LA and HAP rents; previously tenant led.
Kerry	91%	7%	HAP review planned for 2025.
Kildare	30%	22%	Periodic reviews ongoing, currently assessing LA rents for 2019. Others tenant led.
Kilkenny	36%	58%	Annual rent review (LA, MTR, Other). Annually/Bi-Annually for HAP.
Laois	6%	67%	Rent reviews every 2-3 years. 2023 most recent full review, next due in 2025/26.
Leitrim	4%	21%	Ad-hoc reviews; rents reviews to commence after review of rent scheme in 2025.
Limerick	72%	19%	Full rent review every 4-5 years and tenant led for HAP.
Longford	100%	0%	Global review 2024 (excl. HAP).
Louth	27%	0%	Review in 2025 for LA tenants and all others tenant led.

Local Authority	% of LA tenancies reviewed in 2024	% of HAP tenancies reviewed in 2024	Commentary
Mayo	Not tracked	Not tracked	Review in process for 2025, and intend to review every 2 years going forward.
Meath	55%	30%	When 2023 rent review completed plan to review annually (2 years rolling basis). Annual rolling for Private and MTR.
Monaghan	22%	18%	All reviewed in 2023, every 2-3 years and any changes in circumstances.
Offaly	15%	100%	Biennial.
Roscommon	18%	42%	Last review 2022, every 2-3 years, but also on tenant request or when change in circumstances.
Sligo	5%	15%	Global review every 3-5 years.
South Dublin	48%	13%	Ad-hoc reviews for LA tenants; 2023 58% completed. Tenant led for HAP.
Tipperary	6%	17%	Last global rent review in 2021, plan to do annual review from 2025/26 depending on staffing.
Waterford	60%	98%	From 2023 full rent review conducted on annual basis, and 2024 still ongoing.
Westmeath	109%	14%	Annual LA rent review. Tenant led for other tenancies.
Wexford	20%	42%	2023 previous review, 2025 is underway.
Wicklow	Tenant led no record	Tenant led no record	Global review pending following introduction of New Differential Rent Scheme covering all Wicklow county.
City Councils			
Cork City	51%	37%	Rent assessments for 23/24 and 24/25 ongoing. No global review for HAP, as is tenant led.
Dublin City	73%	13%	Annual global batch review for social welfare budget increases. Otherwise reviews on an ad-hoc basis and tenant led for HAP, intends to do global review in 2025
Galway City	19%	27%	Review ongoing for 2025; previously tenant led

Source: LGAS questionnaire to local authorities

Appendix 3: International Comparisons

In 2020, the Organisation for Economic Co-operation and Development (OECD) published a report entitled, “Social Housing: A key part of past and future housing policy”. Rent setting approaches in the social housing sector is based upon five main approaches, i.e. market-based, cost-based, income-based, characteristic-based and fixed rent ceilings. A description of each and the countries these are in operation is shown in the Exhibit below:

Exhibit 18: Rent setting approaches in the social housing sector

Rent setting approach	Description	Countries
Market-based	Rent levels determined (at least in part) as a percentage of market-level rents for similar properties.	Australia, Canada, Colombia, Germany, Ireland, Israel and UK (England)
Cost-based	Rent levels determined (as least in part) by the costs of building/acquiring the dwelling so as to allow long-term cost recovery.	Austria, the Czech Republic, Denmark, Estonia, Finland, France, Hungary, Japan, the Slovak republic, South Africa, Switzerland and UK (Scotland)
Income-based	Rent levels determined (at least in part) based on household income levels (e.g. adjusted to reflect what households can afford to pay).	Australia, Bulgaria, Canada, France, Ireland, Japan, Luxembourg, Malta, New Zealand, Portugal, UK (England, Scotland) and the United States.
Characteristic-based	Rent levels determined administratively (at least in part) by taking into account dwelling characteristics (which can include size, amenities, location) often using a point system.	France, Israel, Lithuania, the Netherlands, Poland, Spain, the United Kingdom (England, Northern Ireland, Scotland, Wales), United States.
Fixed rent ceilings	Fixed rent ceilings may be applied on top of other criteria.	France, Korea, the Netherlands, Spain and the United States.

Source: OECD Employment, Labour and Social Affairs Policy Briefs – Social Housing: A key part of past and future housing policy.

The report defines social housing as residential rental accommodation provided at sub-market prices that is targeted and allocated according to specific rules, such as identified need or waiting lists. The size of the social housing sector varies across countries, e.g. it represents 20% of dwellings in the Netherlands, Denmark and Austria. Social housing represents between 10% and 19% of the total housing stock in Ireland, France, Iceland, Finland and the United Kingdom. In most OECD and EU countries, it accounts for less than 10% of total stock. Generally most, but not all, social housing is targeted for low-income or some vulnerable households. Three countries with the largest percentage of social housing stock (Austria, Denmark and the Netherlands) traditionally had a universal model for eligibility. However, this has become more targeted to certain groups such as the disabled, elderly and based on current housing situation etc.

Countries such as Ireland and the UK (10%-19% social housing stock) have income thresholds as eligibility criteria, along with social criteria to determine vulnerability (medical/welfare conditions, homeless, traveller, overcrowding etc.). Countries with small housing stock (2% to 9%) like Germany and Italy use income ceilings, legal residency, occupation, or residential links to the municipality and in the case of Italy, a points based system based on housing conditions, and number of dependent children.

The report also outlines challenges to the social housing sector, such as the need to adapt to the housing market trends (supply and demand). There has been a decline in public investment and a gradual shift from social housing provision towards housing allowances in many countries. Social housing stock has been shrinking in some countries (Poland, Finland, Germany, Norway, New Zealand, Estonia and the UK and Denmark), partially in relation to the slowdown in construction and privatisation of the stock via tenant purchases. In contrast, the share of social housing increased in Austria, France and the Netherlands. There has also been an increased share of low-income and vulnerable tenants in social housing, including a larger share of older residents due to shifting demographics.

After the global financial crisis and Covid-19, governments in the context of economic recovery, have renewed momentum for increased investment in social housing in many countries. EU green policies for improvements in quality of the building stock, particularly for social housing energy and efficiency upgrades, will also have an impact to improve housing quality.

Appendix 4 Table of Recommendations

#	Recommendations for Local Authorities Rent Schemes and Rent Review Procedures
1	Joint assessment of principal income to include the spouse or cohabiting partner.
2	Subsidiary income should not be subject to a fixed charge. Upper thresholds on rent levied on subsidiary income should also be removed to facilitate closer alignment with market rent for households with higher income level.
3	Maximum rents should be abolished. Many of the maximum rents have been in place for a number of years and are incongruent with Circular HRT 3/2002, which states that rents should be based on ability to pay, and be progressive with rents increasing as income increases.
4	Rent schemes should be updated to align assessable income to the Household Means Policy (updated 2021) published by the Department.
5	Income levels, inflation and market rents can vary significantly over the medium term. Rent schemes should be reviewed every 3-5 years to ensure they remain as equitable as possible.
6	Deemed income for self-employed tenants should be reviewed and updated regularly; and/or linked to national industry pay rates.
7	Non-statutory deductions, such as pension contributions exceeding mandated contribution amounts under legislation, should not be deducted from assessable income.
8	Sanctions for tenancy fraud should be clearly defined and consistently applied.
9	Tenant documentation (including application for social housing) should ensure that the signed declarations clearly outline the roles and responsibilities of the local authorities and the tenants and include provisions for the sharing of data for the prevention and detection of fraud.
10	Consideration should be given to a dedicated portal for reporting of suspected fraud cases. The link could be available via the local authority websites (with protection of anonymity) and provide drop down menu reporting options.
11	Applications for the hardship clause should initially be referred to MABS.

12	Rent reductions granted on hardship grounds should be time bound and monitored to ensure reduced rent applies only for as long as considered necessary. Local authorities should clearly flag rent accounts where the hardship clause was applied to reduce rent, in order to track and review these cases. Application of the hardship clause to HAP cases (due to the level of top-up payment made by the tenant to the landlord) should be recorded separately (and outlined in the differential rent scheme), as this was often the largest number shown as hardship cases in the returned questionnaires.
13	Formal rent reviews of all tenancy types should be conducted at regular intervals, i.e. annually or bi-annually, depending on the resources available and volume of cases. HAP tenancies should receive equal priority in the selection of tenancies for review.
14	Penalties for non-return of financial and household information should be included in rent schemes and applied consistently to encourage tenants to submit the required documentation as part of the rent review process.
15	<p>The process for carrying out rent reviews would benefit from automation such as:</p> <ul style="list-style-type: none"> ❖ Completion of rent review forms online ❖ Online portal to upload documentary evidence (such as payslips, proof of PPSN and birth certificates, bank statements) ❖ Automated rent calculator <p>The MyCoCo platform is operating in all local authorities (used for ICOB grant payments). This could present an online solution, if developed, to automate many aspects of the rent review process.</p>
16	Local authorities should further explore closer co-operation between the sector and the Department of Social Protection, which could include the sharing of data on each household especially where they have had difficulties in obtaining up-to-date information for the purposes of a rent review.
17	Enhanced data sharing arrangements (via a Memorandum of Understanding) should be explored between the Revenue Commissioners and the local authority sector (similar to the arrangements in place with DSP) whereby Real Time Lookup provides more current income information.

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