



# 4 Your Rent & Other Charges



## 4.1 Your rent

Rent makes up the bulk of our income and pays for the ongoing maintenance of your home and scheme, as well as the running costs of the Association. Clúid is a non-profit organisation.

### We take failure to pay rent very seriously

A small number of schemes have a fixed rent, which will be explained to you by your Housing Officer. The rent calculation below won't apply to you.

But for the majority of tenants, your rent is a differential rent, i.e. based on your household income. Those on higher incomes pay more rent than those on lower incomes. The rent amount is linked to your income between January and December of the previous year. For those working it is calculated on your take home (net) pay i.e. what you get after paying tax.

### When will my rent be assessed?

Your rent will be assessed before the start of your tenancy, and then re-assessed annually. Every year in February you will be asked to complete a Confidential Income Statement (CIS) form and to re-submit evidence of income either in the form of a P60 or receipt of social welfare payments. This is a term of your tenancy agreement. You will receive a statement of your rent calculation each year. If you are in any doubt about the rent calculation, approach your local office.

### Do I get a rent book?

All your payments are recorded on our computer system and you will receive a rent statement every three months.

### What is included as income for calculating rent?

The following income is included:

- Employment including self employment (as stated in P60/accountant's report)
- Social welfare payments including back to education allowance and SWA
- Income from Back to Work scheme, JI, CE or FÁS training allowances
- Income from pensions and any other source
- Family Income Supplement
- Spouse/partner maintenance
- Carer's Allowance (if this constitutes the only income you earn)

### Is any income excluded from the rent assessment?

Yes, the following income is excluded:

- Child Benefit (previously known as Children's Allowance)
- Child maintenance received
- Scholarships
- Allowances paid for fostering children
- Fuel and travel allowances payable on CE and other training schemes
- Social Welfare Christmas Bonus
- Income from overtime worked
- Carer's Allowance (if you are in receipt of other payments)
- Health Board medical or dietary allowances
- Assistance received from any charitable organisation



### **How is the rent calculated?**

The formula used for calculating rent is €10 for the first €100 of income and then 20% on all income over €100.

For example:

If your income is €185 per week then

- The first €100 = €10
- The remaining €85 is calculated at 20%, or 20 cent in every €
- So €85 x 20% = €17.00
- Add €10 + €17 Total rent = €27

Clúid has a minimum and a maximum rent. If you are unsure of the current minimum/maximum rent levels, please check the Clúid website or ask your Housing Officer.

### **Is there a deduction from the rent for children?**

There is a €1 deduction for each child under 18 years of age, but remember that rent never goes below the minimum rent. The deduction is also made for children up to the age of 22 but only if they are in full time education and do not have a source of income.

### **What will happen if my income changes during the year?**

If your income decreases you should let your Housing Officer know immediately and an adjustment will be made for a fixed period and then reviewed. You'll need to show us proof of your reduced income. If your income goes up your rent will be increased at the next rent assessment.

### **What if my children or other members of my household have an income too?**

Any additional earner in the household is known as a Subsidiary Earner. You must include evidence of their earnings each year. The first €100 of their income is not assessed. Each €1 after that is assessed at 20%. Again, there is a maximum rent for Subsidiary Earners and also a maximum rent ceiling for the household as a whole if there are several earners in a family.

### **What happens if someone is staying with me for a while?**

If someone moves in with you, then their income is assessed for rental purposes if they stay longer than 4 weeks. As per your tenancy agreement, you must notify your Housing Officer if you have guests staying longer than 2 weeks.

## **4.2 Service charges**

Some schemes have additional service charges included in the rent. Where a charge is applied they are unique to that particular estate or apartment block and depend on the costs of the services provided. These services are additional to those that Clúid Housing Association usually provide but are a necessary part of the scheme you live in. If you want to find out more about what is included in your service charge, ask your Housing Officer.



### **What kind of services may be covered by a service charge?**

The sorts of services that are covered in the charge could include:

- Additional staff such as caretaking and wardens
- Additional cleaning services, e.g. in apartment blocks
- Management Agency fees
- Bin collection
- Security
- Heating and lighting of lobbies and other common areas
- Lifts, door entry systems, fire alarms etc.

These are examples only. There could be different items covered in the service charge in your estate.



### **How much will the service charge be?**

The service charge amount is reviewed annually and based on the actual cost of providing the services. The service charge for an estate is the same for all tenants. You will be given 28 days minimum notice before the new service charge amount is applied to your rent. The decision of Clúid Housing Association is final on the service charges levied on an estate.

### **What about refuse charges?**

Depending on which part of the country you live in, you may have to pay bin collection charges to the local authority or to a private company. In both cases it is your responsibility to organise payments. In certain circumstances some residents may be entitled to apply for a waiver. You should check this with your local authority. If you live in an apartment block your refuse charge is included in the service charge.

## **4.3 Paying your rent and service charges**

### **THURSDAY IS RENT DAY**

Rent is due weekly and is payable **in advance**. Rent is always due on Monday. **All payments must be paid by Thursday morning of the previous week so they register on our system by Monday.** Late payments will show as arrears on the rent account.

Before you move into your new home you need to pay one week's rent and then continue paying each week in advance.

You can also pay rent monthly. This also has to be paid in advance. Your rent would then be calculated over the year. For example if your rent is €25 per week, you would be paying €1,300 for the year. Your monthly payment would then be €108.30.



### **How can I pay my rent?**

There are several ways of paying your rent.

- Standing Order (set up from your bank account)
- Household Budget (If you receive Social Welfare Benefits)
- Electronic transfer (using banking online)
- Post Office Swipe card, known as Billpay (this can be used at the post office or any shop with a PAYPOINT facility)

Household Budget or Standing Orders are likely to be the most convenient options: they take little time to set up and are a hassle-free way of paying rent from then on.

### **How does Household Budget work?**

When you pay by Household Budget the rent is taken from your social welfare payment each week. The scheme is operated by An Post and in order to qualify, you must be getting a certain social welfare payment and your payment must be paid through your local post office. The Household Budget Scheme is free of charge.

### **What do I need to know about Bank Standing Orders?**

With this method you authorise the bank to deduct the rent from your account on a regular basis. It's a great payment method as it saves you the effort of having to remember and organise payment every week. But you must always have enough money in the bank. Even if you are a few cents short on the day the deduction is made, the bank will not pay and you will accumulate rent arrears. Some banks may charge a small fee for this service. You also need to alert the bank in advance if your rent changes after the annual assessment – we will remind you of this.

## Missed payments

Your rent has been assessed according to your ability to pay. We take the failure to pay rent very seriously. We will take legal action if necessary.



### **What happens if I miss a payment?**

When you sign a tenancy agreement you make a legal commitment to pay rent regularly and in advance. If you miss a payment it is very important that you phone the Clúid Office and explain why and when you will make a payment.

### **What happens if I miss more than one payment?**

We will act quickly if you fall behind in your rent payments. Failure to pay rent will result in your Housing Officer writing or calling to see you about your arrears.

### **Can non-payment lead to legal proceedings?**

Yes, if you have rent arrears and fail to keep to a repayment programme that you have negotiated with your Housing Officer. Serious rent arrears may result in notice to quit and we will apply to court to have you evicted from the property. In addition to taking back the property, we can also apply to court for a debt judgement against you. This will seriously damage your credit rating and will make it much more difficult for you to borrow money or buy items on credit.

### **What happens if I cannot keep to the agreement?**

It is important that you speak to your Housing Officer as soon as possible. Don't ignore rent arrears or any other debts you may have – they don't go away. The earlier you deal with debts the better. If you are having money worries contact your local Money Advice & Budgeting Service (MABS), who offer free and confidential advice.

### **I think arrears shown on my account are wrong. What can I do?**

Please contact us. We will check the account. We may need you to provide proof of payment, so you should keep all your rent receipts in a safe place. If there has been a mistake, we will put it right.

### **FAILURE TO PAY RENT WILL RESULT IN EVICTION**