

**To:** Officers Administering Supplementary Welfare Allowance  
Appeals Officers  
Transition Managers  
Regional Managers  
Regional Co-ordinators  
Regional Support Office

## **Rent Supplement – Maximum Rent Levels**

### **1. Introduction**

**1.1.** The purpose of this circular is to advise staff that new regulations have been made to set maximum rent levels and to re-state the circumstances under which the maximum rent levels may be exceeded

### **2. Maximum Rent Levels**

**2.1.** The revised maximum amount of rent in respect of which a Rent Supplement is payable in each county is set out in the Appendix to this circular. These rates will be applicable from 1 January 2012 to 30 June 2013.

### **3. Legislative Provision**

**3.1.** A regulation was recently signed to provide for new maximum rent levels in respect of which Rent Supplement is paid.

**3.2.** A copy of this regulation will be available shortly on Stór under Legislation Unit's Divisional Site [here](#).

**3.3.** Staff are reminded that they should continue to set levels lower than those provided for in the regulations, in respect of sub-divisions of their functional areas, where this is appropriate and to set appropriate rent levels in respect of household units not covered by the appropriate limits.

### **4. Review of Rent Limits**

**4.1.** Rent limits have recently been reviewed. In testing the level at which basic accommodation can be secured, a number of data sources were examined taking

account of prevailing rent levels in the private rental sector generally, including data for registrations for 2011 with the PRTB.

- 4.2. Since the last review (June 2010), overall rental values have stabilised at or near the maximum rent limits in place nationally. The purpose of this review is to assess the current maximum rent limits and to re-establish new limits based on availability of accommodation to rent supplement tenants at approximately the 40th percentile (40% of housing supply) in each particular segment of the market. The review also attempts to ensure that maximum rent limits are placed at appropriate price points to create further downward pressure on the market.

## 5. **Revised Maximum Rent Limits**

- 5.1. From 1 January 2012, maximum rent limits have been reduced by an average of 13%.
- 5.2. All rent limits are prescribed on a calendar monthly basis.
- 5.3. These limits should be applied to all new applications for Rent Supplement on and from 1 January 2012.
- 5.4. Existing Rent Supplement recipients moving to new accommodation or whose claim is subject to a review of entitlement on and from 1 January 2012 will be subject to the new rent limits.

## 6. **Payment in cases where rent is over the relevant limit**

- 6.1. For the majority of cases Rent Supplement should not be paid where the rent is above the relevant limit. However, Rent Supplement may be paid in cases where the rent is above the relevant limit in the following circumstances:
  - (i) Where there are special housing needs related to exceptional circumstances (in particular, for example, disabled persons in specially-adapted accommodation or homeless persons whose housing needs cannot be met within the standard terms of the Rent Supplement scheme etc.).
  - (ii) Where the person concerned is entitled to an income disregard AND has sufficient income to meet his or her basic needs after paying rent, taking into account the appropriate rate of Rent Supplement that is otherwise

payable in the case. "Sufficient income" in this context means the relevant Basic SWA rate less the prescribed minimum contribution to rent.

- (iii) Where the tenant will be in a position to re-assume responsibility for his/her rent within a short period rents can be paid above the prescribed limits. For this purpose a guideline period of no longer than 6 to 8 weeks is suggested but where there are exceptional circumstances, an extension up to a maximum of 12 weeks may be allowed by staff.
- (iv) In any other situation where it appears to that the circumstances of the case so warrant, in accordance with Article 38 of S.I. 412 of 2007.
- (v) In all cases, where rents are being paid above the relevant local limit, care should be taken to ensure that rents are not paid for excessive amounts. Consideration should be also given to ensuring that rent supplement applicants are not 'over-accommodated' – this may indicate that the local limits in force for the particular area are set too high.

**6.2.** Having regard to 6.1 above, where an existing claim is under review and the rent paid to the landlord is in excess of the prescribed limit and the lease agreement is not for immediate renewal, it is expected that the applicant should either:

- (i) re-negotiate the rent paid to the landlord under the current lease, by altering the payment amount or;
- (ii) where negotiation with a landlord fails, that is where s/he insists on the tenant fulfilling their obligations under the lease in terms of payment of rent, staff may use their discretionary powers and pay Rent Supplement based on the rate quoted within the lease agreement for up to a period of thirteen weeks. It should be made clear to the applicant that s/he will not be paid the higher Rent Supplement after this period expires.

Notwithstanding the above, staff may wish to use their discretion, and extend the thirteen week period as outlined above, in circumstances where:

- (i) the lease agreement is, within a reasonable timeframe, about to expire, or;
- (ii) the termination of the lease agreement may give rise to onerous penalties payable by the applicant, or;
- (iii) the minimum notice within the lease agreement, that a tenant must provide a landlord to vacate the property, is in excess of the thirteen week period.

In all cases it is important to ensure that the applicant is fully aware of the relevant time frame to source alternative suitable accommodation.

**6.3.** Regarding 5.1 (iv), Article 38 discretionary powers are for exceptional individual circumstances, and are not intended to deal with a generality or category of cases where no particular special circumstances exist.

**6.4. ASSISTANT PRINCIPAL OFFICERS WITH REPONSIBILITY FOR ADMINISTERING SWA MUST INFORM SWA SECTION OF ALL CASES WHERE EXCEPTIONS TO THE MAXIMUM RENT LEVELS ARE MADE.** Officers are reminded of the importance of making such notifications as this facilitates the effective monitoring and management of the Rent Supplement system.

**6.5.** Where exceptions are made and Rent Supplement is paid in cases where the rent is in excess of the relevant maximum rent limit, the amount of Rent Supplement paid should be sufficient to ensure that the tenant's post-rent income is not less than the relevant SWA rate minus the minimum contribution to rent prescribed in legislation.

6.6. In general, the payment of rent in excess of the maximum limit should not be approved in cases where shared accommodation within the limits is available and the shared accommodation is suitable to the tenant's needs.

## 7. Data Recording on ISTS

7.1. Community Welfare staff are reminded that the **Max Rent Limit** and **Weekly Rent Charged** fields should be accurately updated when either a new claim for Rent Supplement is being awarded or where an existing Rent Supplement claim has been reviewed.

7.2. As all rent limits are now prescribed on a monthly basis, the **Max Rent Limit** field should now be recorded using the appropriate **monthly** rent limit for the **county/local authority area**. Where local limits are in place, **the appropriate monthly rent limit**, as set out in the Appendix to this circular should be used. For example, if the local limit imposed by a CWO in a particular Wicklow area for a 2 bed apartment is €600, but the maximum limit for Wicklow county is €625, then €625 should be entered.

7.3. The **Rent Charged field** should continue to show the **weekly** amount of rent which the landlord is charging for the property. This applies regardless of whether the rent is less than or equivalent to or above the rent limit. If rent is paid monthly, the weekly equivalent should be calculated and entered in this field.

## 8. Notification of Staff

Please ensure that the contents of this Circular are brought to the attention of all staff administering the Supplementary Welfare Allowance scheme.

**9. Queries**

All queries relating to this circular should be addressed to:

SWA Section

Department of Social Protection

Social Welfare Services Office

College Road

Sligo

Tel No: (071) 9138614 / (071) 9138617 / (071) 9138616

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**Kieran O'Dwyer**  
**Principal**  
**SWA Section**

## Appendix

### Maximum Rent Levels from 1 January 2012 to 30 June 2013

County	Single Shared	Couple Shared	Single	Couple	Couple/One Parent Family - 1 Child	Couple/One Parent Family - 2 Children	Couple/One Parent Family - 3 Children
Dublin - Fingal	250	330	475	650	775	825	900
Dublin - Not Fingal	300	370	475	700	875	925	950
Wicklow	240	290	440	525	625	670	740
Kildare	270	290	400	500	690	725	790
Longford	160	175	300	325	340	390	430
Westmeath	190	210	390	420	500	520	530
Offaly	200	220	345	400	500	540	575
Laois	200	230	390	400	480	505	540
Limerick	220	240	390	430	500	575	650
Tipperary North	195	200	345	375	410	500	525
Tipperary South	195	220	370	425	525	540	550
Clare	190	210	350	380	450	475	500
Louth	230	280	390	430	575	600	650
Monaghan	180	190	300	350	480	500	525
Cavan	160	190	325	350	400	430	450
Meath	200	260	390	450	550	610	675
Donegal	195	200	315	350	390	450	500
Leitrim	175	195	300	325	350	375	400
Sligo	195	220	340	425	520	540	550
Wexford	230	250	390	430	540	565	590
Waterford	230	250	390	400	500	540	590
Carlow	230	250	350	450	550	575	590
Kilkenny	200	230	390	430	540	575	590
Kerry	190	220	365	390	520	550	600
Cork	260	280	450	575	700	715	750
Mayo	195	215	390	400	450	475	500
Galway	230	250	450	540	680	700	725
Roscommon	175	195	300	325	400	430	480