



***Differential Rent Scheme and Caring Households:***  
**Submission to the Department of Housing, Local Government  
and Heritage on the Review of the Differential Rent Scheme**

Family Carers Ireland

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## Introduction

*Family Carers Ireland* welcomes the opportunity to submit our views to the Department of Housing, Local Government and Heritage on the review of the Differential Rent Scheme and the development of a standardised differential rents model. For many years we have been aware of differences in how people in receipt of Carer's Allowance are assessed across the 31 local authorities, under the Differential Rent Scheme resulting in significant variations in the rent charged to caring households. *Family Carers Ireland*, therefore, welcomes the Programme for Government commitment to bring forward a package of social housing reforms, which includes standardising the differential rents regime across the country to ensure fairness and geographic equity.

*Family Carers Ireland* is a national charity dedicated to improving supports and recognition for family carers who provide regular, unpaid care to a friend or family member with a long-term illness, health problem or disability, including problems related to old age. This submission is based on our experience of working with caring households who rent their homes under the Differential Rent Scheme and an analysis of the rents charged across the 31 local authorities (Table 1).

### Profile of Carer's Allowance

Carer's Allowance is a means-tested social welfare payment paid to full-time family carers who provide in excess of 35-hours of care each week. The person receiving care must satisfy strict medical criteria that they are so incapacitated as to require full-time care and attention. Carers in receipt of Carer's Allowance, including half-rate Carer's Allowance, are not permitted to work or study for more than 18.5-hours per week, given the extent of their caring responsibilities.

Carer's Allowance – 49,756 recipients

Half-rate Carer's Allowance – 42,136 recipients

### Treatment of Carer's Allowance under the Differential Rent Scheme

The autonomy of local authorities to set and collect rents on council-owned properties is laid down in Section 58 of the Housing Act 1966, however, is subject to broad principles set out by the Department, including that rent levels should be based on income and reflect tenants' ability to pay. This allows local authorities to adopt different approaches to the setting of rents and to decide which sources of income are included or disregarded for rent assessment purposes.

The discretion of local authorities to apply different approaches to the setting of rents under the Differential Rent Scheme has led to significant geographic variations and inequality in the rent charged to caring households. In the hypothetical family presented in Table 1 (a three-person household, with an adult caring for another household member and receiving half-rate Carer's Allowance; an adult with a disability, receiving Disability Allowance, and an adult child who is employed earning €495 per week), ***the rent charged to the same family varies between a low of €79 in Kerry to a high of €147.76 in Wexford – an 87 per cent difference.*** It is also the case that there are significant variations in neighbouring local authorities (e.g. Dublin City Council and Dún Laoghaire-Rathdown and Laois and Offaly) which undermines any reasonable explanation with regard to Rent Pressure Zones or regional variations in rent rates. The difference in the rent charged to caring households is predominantly due to:

- The decision of some local authorities to assess Carer's Allowance in full while other local authorities disregard it at the basic social welfare rate;
- The decision of some local authorities to assess the half-rate Carer's Allowance in full, while other local authorities disregard it;
- Variations in the maximum rent payable or 'rent caps' for specified household types i.e. one, two or three-bedroom homes.

## Cost of Caring

For many families, taking on caring responsibilities results in long-term financial hardship as a loss of income from employment is exacerbated by higher household costs. The impact is lasting as years spent on a low income or without any financial support mean carers cannot escape debt, build savings or contribute to a pension. If caring comes to an end before pension age, the barriers to returning to the labour market mean that carers may never be able return to work and face severe financial hardship into retirement. Even for those able to work alongside caring, their work is likely to be affected by having to find lower-paid work which is flexible around their caring role, cut their hours and forgo promotion and career opportunities.

Research by the Vincentian Partnership for Social Justice published in April 2022<sup>1</sup>, shows that even before the cost of living crisis, **households, where high-level care is provided, incur additional average weekly costs of €244 compared to a similarly composed household with no disability or care needs.** The research also shows that the disadvantage experienced by caring households does not end as income increases. Even caring households with higher income levels have significantly less disposable income to meet the need for contingencies such as car or house repairs, medical expenses, or unexpected bills. Caring households, who often rely on a single income due to their caring responsibilities, face a multitude of financial costs not imposed on non-caring households, such as higher heating and energy costs, costs associated with continence care including higher waste collection charges, adapted transport, hospital visits, specialist aids and appliances and other medical expenses.

In the context of the review of the Differential Rent Scheme, we urge that the Department be cognisant of the unique situation of family carers, and the substantial additional costs they incur as a direct result of their caring responsibilities, and as such their need to be protected within the Differential Rent Scheme. Specifically, *Family Carers Ireland* calls on the Department to adopt the following three recommendations as standard in the Differential Rent Scheme:

1. Carer's Allowance will be disregarded at the basic social welfare rate across all local authorities;
2. Half-rate Carer's Allowance will be disregarded in full across all local authorities;
3. Disability Allowance received by children aged between 16 and 18 years will be disregarded in full, in line with the existing uniform disregard of Domiciliary Care Allowance received by children under 16 years<sup>2</sup>.

Carers are the invisible backbone of our healthcare system, providing over 80 per cent of care in the community and saving the State some €20 billion each year – almost equal to the total HSE budget. Family carers must be recognised, valued and protected.

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<sup>1</sup> MacMahon B., Boylan, H., Thornton R. (2022) *Care at Home: Costs of Care Arising from Disability. The additional costs of a Minimum Essential Standard of Living for a household caring for an adolescent with a profound intellectual disability.* Dublin: The Vincentian Partnership for Social Justice & Family Carers Ireland.

<sup>2</sup> Domiciliary Care Allowance is fully disregarded in all Local Authorities

**Table 1: Assessment of weekly rent rate under the Differential Rent Scheme for the same caring household**

**Example:** Mary cares for her husband John and receives a half-rate Carer's Allowance (€118) and an Increase for a Qualified Adult (€146) on John's Disability Allowance (€220). Their adult son Mark is also living in the home and earns a net income of €495 per week.

Local Authority	Carer's Allowance	Half-rate Carer's Allowance	Rent payable per week <sup>3</sup>
Carlow County Council	Disregarded unless CA is the primary payment in the household. In which case, anything above the basic social welfare rate for a comparable household is disregarded.	Disregarded at the basic rate <sup>4</sup>	€109
Cavan County Council	Disregarded at the basic rate if in receipt of more than one income.  Assessed at the basic rate if CA is only income.	Half-rate CA disregarded.  Primary payment is assessed.	€99
Clare County Council	Assessed	Assessed	€132.50
Cork City Council	Disregarded if there is another income other than CA e.g. income from employment.  Assessed if CA is the only income.	Half-rate CA disregarded.  Primary payment is assessed.	€94.20
Cork County Council	Assessed at basic rate of social welfare.	Half-rate CA disregarded.  Primary payment is assessed.	€102.50
Donegal County Council	Disregarded when in excess of basic social welfare rate.	Disregarded when in excess of basic social welfare.	€90.10
Dublin City Council	Assessed	Assessed	€132.45
Dún Laoghaire-Rathdown County Council	Disregarded at the basic rate – where the carer is in employment, the larger source of	Half-rate CA disregarded.  Primary payment is assessed.	€93.60

<sup>3</sup> Family Carers Ireland has endeavoured to ensure our calculations are as accurate as possible. We have contacted all local authorities to verify these figures, however, some local authorities did not respond. Calculations are subject to rounding and in some councils maximum rent payable applies.

<sup>4</sup> Carer is deemed to be a dependent in this calculation due to the half-rate being disregarded.

	income will be assessed for rent purposes.		
Fingal County Council	Assessed	Assessed	€116.56
Galway City Council	Amount in excess of basic social welfare is disregarded.	Amount in excess of basic social welfare is disregarded.	€145.52
Galway County Council	Assessed	Assessed	€111.80
Kerry County Council	Assessed	Assessed	€79
Kildare County Council	Disregarded at personal rate plus child rate.  Assessed if CA is the only income.	Disregarded at €109.50	€107
Kilkenny County Council	Assessed	Assessed	€129
Laois County Council	Assessed	Assessed	€105
Leitrim County Council	Assessed	Assessed	€97.28
Limerick City and County Council	Assessed	Assessed	€146.30
Longford County Council	Assessed	Assessed	€112.50
Louth County Council	Disregarded at basic rate.	Assessed	€96.50
Mayo County Council	Assessed at basic rate, including child rate.	Assessed	€96.50
Meath County Council	Assessed	Assessed	€130
Monaghan County Council	Amount in excess of basic social welfare is disregarded.	Half-rate CA disregarded  Primary payment is assessed.	€88
Offaly County Council	Disregarded – Minimum rent applies where carer is caring for a child/spouse receiving CA and is the only income.  For sole/joint tenant receiving social welfare and/or income from employment in addition to CA, only income from social	Half-rate is disregarded.  Primary payment is assessed.	€81

	welfare and/or employment will be assessed.		
Roscommon County Council	Assessed	Assessed	€115.80
Sligo County Council	Disregarded at basic rate of social welfare.	Half-rate CA disregarded. Primary payment is assessed.	€90
South Dublin County Council	Disregarded	Half-rate CA disregarded Primary payment is assessed	€86.10
Tipperary County Council	Assessed	Assessed	€127.40
Waterford City and County Council	Disregarded Where CA is sole income, rent is calculated at minimum rent of €26 p/w	Disregarded	€116
Westmeath County Council	Assessed at basic rate of social welfare	Half-rate CA disregarded Primary payment is assessed	€107
Wexford County Council	Assessed – where CA is the only income, rent is charged at minimum €30 p/w. Where CA is not the only household income, rent is calculated on household income.	Assessed	€147.76
Wicklow County Council	Disregarded, except if sole income is CA. Amounts in excess of basic social welfare are disregarded <sup>5</sup> .	Disregarded when CA is over the rate of Qualified Adult Allowance of unemployment assistance. Amounts in excess of half basic social welfare is disregarded <sup>6</sup>	€90.60 €127.50 <sup>78</sup>

<sup>5</sup> Bray only.

<sup>6</sup> Bray only.

<sup>7</sup> This figure is only for Bray as there is a different calculation for rent in this area compared to the rest of Wicklow.

<sup>8</sup> Basic social welfare rate (€220) is halved in calculation for the half-rate Carer's Allowance.