



15 May 2023

Information circular*

To: Members of the staff

From: The Assistant Secretary-General for Human Resources

Subject: **Rental subsidies and deductions**

1. The purpose of the present circular is to inform staff members of the procedures required when applying for a rental subsidy or reporting on and certifying housing information for the purpose of rental deductions under administrative instruction [ST/AI/2018/3](#), entitled “Rental subsidies and deductions” (“the instruction”). Staff members should familiarize themselves thoroughly with the provisions of that instruction, which is available on the Policy Portal. The circular also provides other information that staff members may find useful in exercising their entitlement to a rental subsidy or complying with their obligations concerning rental deductions. In addition, the circular clarifies the process of self-certification of claims by staff, the obligation of staff to retain supporting documentation for five years, new approaches to monitoring compliance with the provisions for rental subsidy, and the consequences of submitting unsubstantiated or falsified claims.

2. The rental subsidies and deductions governed by parts I, II and III in the instruction apply to all group 1 duty stations, whereas parts I, II and IV in the instruction cover all group 2 duty stations. The list of duty stations, including their classification as group 1 or group 2, is published by the International Civil Service Commission (ICSC) as part of the monthly consolidated post adjustment circular (see section “List of countries and areas in French and English”) and is available at <https://icsc.un.org/Home/DataPostAdjustment>. The countries marked with an asterisk are those countries in which group 1 duty stations are located.

3. Annex I to the present circular contains a list of the documents that are required when applying for a rental subsidy and that must be retained for five years for monitoring purposes.

Procedures for rental subsidy applications4. (a) **First-time application for a rental subsidy:**

(i) **At group 1 duty stations.** Staff members in the newcomer category, as defined in section 10.1 (a) of the instruction, should submit their application for

* The present circular supersedes information circulars [ST/IC/2018/9](#) of 1 March 2018, [ST/IC/2016/30](#) of 23 December 2016, [ST/IC/2016/30/Corr.1](#) of 17 January 2017 and [ST/IC/2016/30/Corr.2](#) of 13 June 2017 and will be in effect until further notice.



a rental subsidy following: the signing of a rental lease; the end of the period of payment of the daily subsistence allowance element of the settling-in grant; or, for a staff member recruited locally at the duty station in accordance with staff rule 4.5 (b), the first day of appointment, whichever is later. The signing of a lease and subsequent application for a rental subsidy must fall within the seven-year period of eligibility set out in section 11.1 (a) of the instruction. Staff members in the force majeure category, as defined in section 10.1 (b) of the instruction, should submit their application after signing a new lease following a force majeure move. Staff members under either category should submit their applications no later than three months after the beginning of the lease;

(ii) **At group 2 duty stations.** Staff members should submit their application for a rental subsidy no later than three months after the beginning of the lease. Staff members in posts that are subject to international recruitment, including staff members who are recruited locally at group 2 duty stations for posts in the Professional and higher categories, are entitled to apply for and receive a rental subsidy subject to meeting the terms and conditions of parts I, II and IV of the instruction;

(b) **Duration of the payment period:**

(i) As defined in section 3.1 and described in section 5.2 of the instruction, the application and the payment of the subsidy will be for the duration of the lease agreement (not to exceed the maximum period of seven years in group 1 duty stations). Provided that the lease remains valid, the terms of the lease agreement remain unchanged and the factors reflected under paragraph 6 below remain unchanged, the staff member does not need to reapply for a rental subsidy. However, the staff member must reapply each time the lease is renewed;

(ii) If there is any change in the terms of the lease agreement or if there is any change in the factors reflected under section 5.2 of the instruction, the staff member must reapply for a rental subsidy within 30 calendar days of the change. If a lease agreement is terminated prior to the expiry date indicated in the lease agreement, staff members are required to immediately amend the end date of their application in the employee self-service portal. If they encounter difficulties in doing so, they should inform the Human Resources partner responsible for administering their entitlements;

(c) **Subsidy request in respect of an agent's fee.** This one-time request under section 3.6 of the instruction should be included as part of the application for a rental subsidy to which the payment of such fee relates. The subsidy for an agent's fee shall not exceed twice the amount of the reasonable maximum monthly rent level applicable to the staff member.

5. Staff members are urged to ensure the prompt submission of rental subsidy applications and should bear in mind the provisions of staff rule 3.15 (b), under which claims for the retroactive payment of entitlements should be submitted in writing within one year following the date on which the staff member would have been entitled to the initial payment.

6. **Requirement to submit an application:**

(a) As described in section 5.2 of the instruction, the staff member in receipt of a rental subsidy is required to submit an application as soon as any of the following changes has occurred, and no later than 30 days after the change has occurred:

(i) Change in dwelling, which includes vacating the dwelling for which a rental subsidy has been claimed;

(ii) Change in the rent, as well as in rebates and gratuities, for the same dwelling;

(iii) Changes in family size, as defined in section 3.8 of the instruction;

(b) Changes in rent include, but are not limited to, any change in the rent-sharing arrangements with another person(s) that may exist for a given dwelling;

(c) Changes in family size include, but are not limited to, situations where eligible dependants begin or cease to live in the same dwelling for whatever reason, such as a situation where a dependent child is absent from the duty station for study purposes, as described in section 3.8 of the instruction;

(d) Any of the above changes may affect the amount of the subsidy. It is the staff member's obligation to report the change no later than 30 calendar days from its occurrence and to certify the correctness of the information provided. The subsidy will then be recomputed and any change, if applicable, will be reflected in the payroll.

7. **Documentation requirements:**

(a) In compliance with section 3.3 of the instruction, and as specified in annex I, the documentation described below is to be retained in the original form or signed scanned copies by the staff member for a period of five years (or until the staff member is separated, if that occurs earlier) from the date of submission of the claim. The documentation may be requested at any time for compliance monitoring purposes;

(b) **At all duty stations:**

(i) For all staff, the documentation to be submitted with a first-time application is the original signed lease agreement and an original receipt of either the first month's rent and the cancelled rent payment cheque or evidence of bank transfer. Requests for the one-time subsidy for payment of an agent's fee must be submitted together with the contract or agreement with the agent and a copy of a receipt for the fee or the cancelled cheque or evidence of bank transfer for payment of the fee. The original documentation submitted by staff members shall be returned to them after the rental subsidy claim has been monitored;

(ii) For all subsequent applications for the same dwelling, submission should be undertaken in accordance with sections 5.2 and 5.3 of the instruction and paragraphs 8 and 13 below;

(c) **Additional requirements at group 1 duty stations:**

(i) When the staff member is responsible for paying electric bills separately from the rent, a copy of a recent electric bill should be submitted so that an amount for electricity will not be deducted from the rent amount for the purpose of the subsidy calculation in accordance with section 12.3 of the instruction;

(ii) Staff members applying under the force majeure category should submit appropriate documentary evidence attesting to the reason for the change in dwelling, a copy of the former lease and a recent receipt or cancelled cheque or evidence of a bank transfer relating to such lease. These documents as well as additional information may be requested from staff members to determine their eligibility for force majeure rental subsidy;

(d) The aforementioned documentation requirements are summarized in annex I to the present circular.

8. **Self-certification of rental subsidy claims by the staff member.** In accordance with paragraph 7 (b) above, applications for a rental subsidy will require self-certification

by the staff member, as provided for in section 5.3 of the instruction. The self-certification mechanism recognizes that the primary responsibility for certification rests with the staff member and not with the Organization. Specifically, through the self-certification mechanism, the staff member will be attesting to:

- (a) The correctness of the information in the application form and any supporting documents;
- (b) The understanding of the documentation requirements;
- (c) The understanding of the obligation to retain the documentation for a period of five years and to submit this documentation upon request for compliance monitoring purposes at any given time within a five-year period;
- (d) The understanding of the obligation to inform the Organization, through a rental subsidy application, of any of the changes specified in section 5.2 of the instruction (change in dwelling, change in rent for the same dwelling, changes in family size);
- (e) The understanding of the obligation to inform the Organization of any housing assistance received, as described in section 8 of the instruction;
- (f) The understanding that the Organization may conduct compliance monitoring of the staff member's claim(s) for rental subsidy at any given time (section 5.6 of the instruction);
- (g) The understanding of the consequences of submitting incomplete, unsubstantiated or false information (section 5.6 of the instruction).

Submission of applications for a rental subsidy

- 9. Staff members shall submit their applications for a rental subsidy through the employee self-service portal of the central administrative system (Umoja).
- 10. Prior to submitting their application, staff members are strongly encouraged to consult the tutorials and instructions available on the Umoja website (<https://umoja.un.org/content/ess-mss>).
- 11. In the case of an application relating to standard rent, the request for a subsidy is automatically approved through the employee self-service portal. Staff members will be notified that the submission was successful and will have the possibility to check their rental subsidy entitlement. In the case of force majeure, shared rent or combined rent, the request will be routed for approval to the human resources partner responsible for administering entitlements and will appear as a "request in process" in the employee self-service portal.

Monitoring of rental subsidy claims

- 12. According to sections 5.4 to 5.6 of the instruction, the Organization will conduct periodic compliance monitoring of staff members' claims for a rental subsidy. This is done for the purpose of verifying the correctness of the data submitted in the application and ensuring the proper use of the benefit according to the terms and conditions described in the instruction, as well as for ensuring staff members' compliance with the relevant provisions for the rental subsidy.
- 13. Pursuant to section 3.3 of the instruction, for the purposes of such monitoring, the staff member may be requested to submit the original required documentation or signed scanned copies of the original documentation related to the rental subsidy,

including, but not limited to, lease agreements. Staff members are obligated to provide the requested documentation within 30 days from the time they are requested to do so. As part of the monitoring process, the Organization may review the requested documentation, contact the landlord and other concerned individuals and/or verify the information reflected in the application in any other relevant way.

14. Failure to present the required documentation upon request, failure to report changes in the rental subsidy situation (as a result of vacating the dwelling, change of dwelling, change of rent or changes in family size), falsification of any of the data, withholding of any relevant information or partial submission of documentation in the application may result in one or more of the following:

- (a) Immediate termination of the rental subsidy;
- (b) Recovery of prior subsidy payments;
- (c) Disciplinary action.

Procedure for rental deductions

15. In accordance with section 8.4 of the instruction, staff members are, at the time of recruitment and at any time thereafter, required to report and certify, in form P.1-E, entitled “Personnel Induction Questionnaire”, whether they receive housing assistance or free accommodation from the Organization, a Government or a related institution. Staff members are reminded that they have an obligation under staff rule 1.5 to report any change from the situation reported at the time of recruitment that could affect their status or entitlements.

16. Staff members who report that they receive housing assistance or free accommodation from the Organization, a Government or a related institution will be required to submit additional detailed information through the employee self-service portal.

17. When it is determined that a staff member is subject to a rental deduction, deductions will be made in the staff member’s salary through the payroll. The staff member is not required to submit an annual application for the deductions.

Computation of rental subsidies and deductions

18. The general regime governing computation of rental subsidies is set out in section 4 of the instruction.

19. A prerequisite for an entitlement to a rental subsidy is that the amount of rent paid by the staff member exceeds the “individual threshold amount”, that is, the amount of rent that the staff member is expected to bear without any subsidy. This amount is calculated in accordance with section 4.2 of the instruction by applying to the staff member’s net income (i.e., the net base salary, including special post allowance, if any, post adjustment and spouse allowance or single parent allowance, as applicable) the applicable rental subsidy threshold percentage established for the duty station concerned by the International Civil Service Commission, as approved by the General Assembly. The threshold percentage rates for New York are set out in annex II to the present circular. Local circulars may be issued at other duty stations setting out the rates applicable at the duty station concerned.

20. The special provisions applicable to the computation of a rental subsidy at group 1 duty stations are set out in section 12 of the instruction. For such duty stations, reasonable maximum rent levels are set by the Secretary-General on the basis of the

family size of the staff member and a survey of rent levels in the local market. Levels of reasonable maximum rent for New York are set out in annex III. Local circulars are issued at other duty stations setting out the reasonable maximum rent levels applicable at the duty station concerned.

21. Sample calculations of rental subsidies and a sample calculation of rental deduction for New York are set out in annex IV. Sample calculations of rental subsidies and deductions at group 2 duty stations are set out in annex V.

22. Subsequent updates regarding the threshold percentage rates and the reasonable maximum rent levels for New York will be communicated via the Policy Portal rather than through an information circular.

Annex I

Required documentation for rental subsidy

The following documentation is required to apply for a rental subsidy and for monitoring purposes. These documents are to be retained by the staff member for five years from the date of submission of the claim.

<i>Required documentation</i>	
For staff in all locations	Original signed lease agreement and subsequent lease extensions Copy of first month's rent receipt, cancelled rent payment cheque or evidence of bank transfer
To request a subsidy for payment of an agent's fee	Contract or agreement with the agent (including licence number and fee) Original receipt for the fee, cancelled cheque for payment or evidence of bank transfer
Additionally, for staff at group 1 duty stations	Original electric bills (when the staff member is responsible for paying electric bills separately from the rent)
Staff members applying under the force majeure category	Evidence attesting to the reason for the change in dwelling Copy of the former lease Recent receipt, cancelled cheque or evidence of bank transfer relating to such lease

Annex II

Threshold percentages for New York for the purpose of calculating rental subsidies

Effective 1 February 2023, the threshold percentage figures for New York approved by the International Civil Service Commission are as follows:

	<i>Threshold</i>
With spouse or single parent allowance	32
Without spouse or single parent allowance	34

Source: ICSC/CIRC/PAC/578. Available from <http://icsc.un.org>.

Annex III

Reasonable maximum rent levels for New York

Effective 1 February 2023, the revised reasonable maximum rent levels for New York are as follows:

<i>Family size</i>	<i>Number of bedrooms</i>	<i>Rent (United States dollars)</i>
Staff member alone	1	4 200
Staff member with spouse	2	6 100
Staff member with 1 child	2	6 100
Staff member with 2 children	3	9 500
Staff member with 3 or more children	4	11 700

Annex IV

Sample calculations (New York)

Example 1. Staff member is P-3/V (no spouse or single parent allowance), newcomer, renting a one-bedroom apartment for US\$ 4,000 per month, excluding electricity cost. Date of arrival at New York is 16 February 2023. First day of current lease is 1 March 2023.

Rental subsidy calculation:			Multiplier	80.5
1. Total income	US\$		5. Reasonable maximum rent level	4 200.00
(a) Monthly net base salary (gross less staff assessment)	5 862.50		6. Rent for purpose of subsidy calculation (smaller of line 4 or 5)	4 000.00
(b) Post adjustment	4 719.31		7. Excess of rent over threshold (line 6 less line 3)	402.18
(c) Special post/spouse/single parent allowance	0.00		8. Percentage reimbursement	80.00
(d) Total	10 581.81		9. Reimbursement amount (line 7 x line 8)/100	321.75
2. Threshold percentage	34.00		10. 40 per cent of rent for purpose of subsidy calculation (0.4 x line 6)	1 600.00
3. Individual threshold amount (line 1 (d) x line 2)/100	3 597.82		11. Subsidy (smaller of line 9 or 10)	321.75
4. Monthly rent (less electricity cost)	4 000.00		12. Subsidy in local currency	321.75
Exchange rate	Rent, US\$	4 000.00		

If line 3 is greater than line 4, STOP. No subsidy payable.

COMMENTS: In this example, payment of rental subsidy commences only as of 15 February 2023, the first day following the end of the period of payment of the daily subsistence allowance portion of the settling-in grant, not on the first day of the current lease.

Example 2. Staff member is P-2/VI, in receipt of a spouse allowance, newcomer, residing with spouse in a two-bedroom apartment at a monthly rent of US\$ 6,350, excluding electricity cost. Date of arrival at New York is 22 April 2023. First day of current lease is 1 July 2023.

Rental subsidy calculation:			Multiplier	80.5
1. Total income	US\$		5. Reasonable maximum rent level	6 100.00
(a) Monthly net base salary (gross less staff assessment)	4 778.50		6. Rent for purpose of subsidy calculation (smaller of line 4 or 5)	6 100.00
(b) Post adjustment	3 846.69		7. Excess of rent over threshold (line 6 less line 3)	3 174.33
(c) Special post/spouse/single parent allowance	517.51		8. Percentage reimbursement	80.00
(d) Total	9 142.70		9. Reimbursement amount (line 7 x line 8)/100	2 539.47
2. Threshold percentage	32.00		10. 40 per cent of rent for purpose of subsidy calculation (0.4 x line 6)	2 440.00
3. Individual threshold amount (line 1 (d) x line 2)/100	2 925.67		11. Subsidy (smaller of line 9 or 10)	2 440.00
4. Monthly rent (less electricity cost)	6 350.00		12. Subsidy in local currency	2 440.00
Exchange rate	Rent, US\$	6 350.00		

If line 3 is greater than line 4, STOP. No subsidy payable.

COMMENTS: (1) Although the staff member's period of eligibility for subsidy commences on 22 April 2023, subsidy is payable only as of 1 July 2023, the first day of the current lease. (2) The actual rent exceeds the reasonable maximum rent level; thus, the latter is used for the purpose of calculation. (3) The amount of subsidy payable is based on 40 per cent of the reasonable maximum rent level.

Example 3. Rental deduction. Staff member is at the Assistant Secretary-General level, with no spouse or single parent allowance, and is receiving free housing from a Government.

Rental deduction calculation:		Multiplier	80.5
1. Total income	US\$		
(a) Monthly net base salary (gross less staff assessment)	11 911.08	5. Individual rental deduction threshold amount (64% of line 3)	4 678.29
(b) Post adjustment	9 588.42	6. Excess of individual rental deduction threshold amount over rent (line 5 less line 4)	4 678.29
(c) Special post/spouse/single parent allowance	0.00	7. Percentage deduction	80.00
(d) Total	21 499.50	8. Rental deduction (line 6 x line 7)/100	3 742.63
2. Threshold percentage	34.00	COMMENTS: A rental deduction is levied on the staff member because the housing cost (virtually zero due to the free housing received from a Government) is substantially below the average rent used in calculating the post adjustment index for the duty station.	
3. Individual threshold amount (line 1 (d) x line 2)/100	7 309.83		
4. Monthly rent (less electricity cost)	0.00		
Exchange rate	Rent, US\$	0.00	

Annex V

Sample calculations (group 2 duty stations)

Example 1. Staff member is P-2/VIII, in receipt of a spouse allowance. Date of arrival at duty station X is 10 August 2018. First day of current lease is 1 February 2023. Rent paid is US\$ 2,700, exclusive of electricity cost.

Rental subsidy calculation:		Duty station: X	Multiplier	
1. Total income	US\$			38.50
(a) Monthly net base salary (gross less staff assessment)	5 010.42	5. Rent level certified as reasonable?		Yes
(b) Post adjustment	1 929.01	6. Rent for purpose of subsidy calculation		2 700.00
(c) Special post/spouse/single parent allowance	416.37	7. Excess of rent over threshold (line 6 less line 3)		1 228.84
(d) Total	7 355.79	8. Percentage reimbursement		80.00
2. Threshold percentage	20.00	9. Reimbursement amount (line 7 x line 8)/100		983.07
3. Individual threshold amount (line 1 (d) x line 2)/100	1 471.16	10. 40 per cent of rent for purpose of subsidy calculation (0.4 x line 6)		1 080.00
4. Monthly rent (less electricity cost)	2 700.00	11. Subsidy (smaller of line 9 or 10)		983.07
Exchange rate	Rent, US\$	12. Subsidy in local currency		TBD
	2 700.00			

If line 3 is greater than line 4, STOP. No subsidy payable.

COMMENTS: Although the staff member's period of eligibility for rental subsidy commences on 9 September 2018, that is, the first day following the end of the period of payment of the daily subsistence allowance portion of the settling-in grant, the subsidy is payable only as of 1 February 2023, the first day of the current lease.

Example 2. Staff member is P-5/III, in receipt of a spouse allowance, residing with spouse and two dependent children in a house with a monthly rent of US\$ 2,500, exclusive of electricity cost. The authorized official at duty station Y certified that the rent is inappropriately high and recommended a rental amount of US\$ 2,000 to be used for the purpose of the rental subsidy calculation.

Rental subsidy calculation:		Duty station: Y	Multiplier	
1. Total income	US\$	5. Rent level certified as reasonable?		No
(a) Monthly net base salary (gross less staff assessment)	8 018.33	6. Rent for purpose of subsidy calculation		2 000.00
(b) Post adjustment	1 403.21	7. Excess of rent over threshold (line 6 less line 3)		901.45
(c) Special post/spouse/single parent allowance	565.29	8. Percentage reimbursement		80.00
(d) Total	9 986.83	9. Reimbursement amount (line 7 x line 8)/100		721.16
2. Threshold percentage	11.00	10. 40 per cent of rent for purpose of subsidy calculation (0.4 x line 6)		800.00

3. Individual threshold amount (line 1 (d) x line 2)/100	1 098.55	11. Subsidy (smaller of line 9 or 10)	721.16
4. Monthly rent (less electricity cost)	2 500.00	12. Subsidy in local currency	TBD
Exchange rate	Rent, US\$		
	2 500.00		
If line 3 is greater than line 4, STOP. No subsidy payable.			
COMMENTS: The rental subsidy was calculated on the basis of the amount of reasonable rent recommended by the authorized official in the light of the staff member's family status and/or the conditions prevailing in the local housing market.			

Example 3. Rental deduction. Staff member is P-2/VIII, in receipt of a spouse allowance, and in receipt of housing assistance from the Government in the form of subsidized rent. Rent paid by the staff member is US\$ 250 per month, exclusive of electricity cost.

Rental deduction calculation:		Duty station: X	Multiplier	38.5
1. Total income	US\$			
(a) Monthly net base salary (gross less staff assessment)	5 010.42	5. Individual rental deduction threshold amount (64 per cent of line 3)		906.98
(b) Post adjustment	1 929.01	6. Excess of individual rental deduction threshold amount over rent (line 5 less line 4)		656.98
(c) Special post/spouse/single parent allowance	416.37	7. Percentage deduction		80.00
(d) Total	7 355.79	8. Rental deduction (line 6 x line 7)/100		525.59
2. Threshold percentage	20.00	COMMENTS: A rental deduction is levied on the staff member on account of the fact that the monthly rent is substantially lower than the average rent used in calculating the post adjustment index for the duty station. The authorized official at the duty station has certified the dwelling to be of quality standard.		
3. Individual threshold amount (line 1 (d) x line 2)/100	1 471.16			
4. Monthly rent (less electricity cost)	250.00			
Exchange rate	Rent, US\$			
	250.00			

Example 4. Rental deduction. Staff member is D-1/III, in receipt of a single parent allowance and in receipt of free housing from the Government.

Rental deduction calculation:		Duty station: Y	Multiplier	17.5
1. Total income	US\$			
(a) Monthly net base salary (gross less staff assessment)	9 177.08	5. Individual rental deduction threshold amount (64 per cent of line 3)		804.68
(b) Post adjustment	1 605.99	6. Excess of individual rental deduction threshold amount over rent (line 5 less line 4)		804.68
(c) Special post/spouse/single parent allowance	646.98	7. Percentage deduction		80.00
(d) Total	11 430.06	8. Rental deduction (line 6 x line 7)/100		643.74
2. Threshold percentage	11.00	COMMENTS: A rental deduction is charged to the staff member in view of the fact that the staff member is receiving free housing from the Government. The authorized official at the duty station has certified the dwelling to be of quality standard.		
3. Individual threshold amount (line 1 (d) x line 2)/100	1 257.31			
4. Monthly rent (less electricity cost)	0.00			
Exchange rate	Rent, US\$			
	0.00			