

RENT MANAGEMENT POLICY

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1 Purpose and Objective

This policy explains how Housing Plus calculates, charges, and reviews rent for social housing tenancies.

2 Scope

- a. This policy applies to all Housing Plus and its subsidiaries employees, management and other stakeholders including volunteers.
- b. This policy applies to social housing tenants and applicants.
- c. This policy describes the organisation's objectives and policies regarding rent management in social housing.
- d. Affordable housing rents are covered in the *Affordable Housing Policy*.

3 References

3.1 Legislation

- NSW Housing Act 2001
- NSW Residential Tenancies Act 2010
- Anti-Discrimination Act 1977
- Disability Discrimination Act 1992

3.2 Policies

- NSW Community Housing Rent Policy
- Housing Plus Sustaining Tenancies Policy
- Housing Plus Feedback, Appeals and Complaints Policy
- Housing Plus Affordable Housing Policy
- Housing Plus Ending a Tenancy Policy
- Housing Plus Start of Tenancy Policy

4 Definitions

Term: Company

Definition: Housing Plus, ABN 83 147 459 461, and all of its related and associated entities

Term: Employee

Definition: An individual who is directly engaged and paid by the Company as an Employee

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Term: Manager

Definition: An Employee who has direct reports (includes Executive, Senior Management and Team Leaders). In situations involving volunteers, 'Manager' refers to the Volunteer Supervisor

Term: Executive

Definition: A member of the Executive team

Term: Volunteer or Other Stakeholders

Definition: Collectively refers to any individual(s) who is not an Employee but who carries out work (whether paid or unpaid) for the Company, including (but not limited to) work as a volunteer, contractor, secondee, consultant or subcontractor, labour hire company, an apprentice or trainee, and a student gaining work experience.

Term: Work Environment

Definition: Includes but is not limited to:

- During and outside normal working hours.
- All functions, events and places which are work related (e.g. Including working from home under the flexible work policy, work lunches, conferences, Christmas parties and client functions).
- During the recruitment process; any environment which has sufficient connection to employment; decisions about promotions and other career opportunities, or in the termination of employment.
- In the course of providing goods and services.
- **Term:** Tenancy agreement
- **Definition:** The *Residential Tenancies Act 2010* (NSW) ("RTA 2010") defines a residential tenancy agreement as 'an agreement under which a person grants to another person for value a right of occupation of residential premises for the purpose of use as a residence' (section 13(1)).
- **Term:** Social housing
- **Definition:** Properties made available to customers on low to moderate incomes and managed by Community Housing Providers or Department of Communities and Justice. Rent subsidies are available to customers to reduce their weekly rent payments.

Term: Affordable housing

Definition: Affordable housing is housing available to very low to moderate income households and is priced so that these households are also able to meet other basic living costs such as food, clothing, transport, energy, medical care and education.

Term: Market rent

Definition: Market rent is the amount of rent that a real estate agent or landlord would charge each week if the property were rented in the private market.

Term: Rent subsidy

Definition: Rent subsidy is the difference between the market rent and the rent a tenant is asked to pay based on their household's assessable income and rent assessment rules.

Term: Commonwealth Rent Assistance (CRA)

Definition: Commonwealth Rent Assistance is a non-taxable income supplement payable to eligible people who rent in the private rental market or community housing.

Term: Specific Performance Order (SPO)

Definition: A Specific Performance Order from the NSW Civil and Administrative Tribunal orders a tenant to correct a breach of their tenancy agreement.

Term: Transitional housing

Definition: Short term housing that is offered under a fixed term lease, generally delivered in partnership with support providers.

Term: Supported housing

Definition: Properties that are made available to customers who have a support plan in place with a service provider to assist them maintain the tenancy.

Term: NSW Civil and Administrative Tribunal (NCAT)

Definition: The NSW Civil and Administrative Tribunal decides a range of civil and administrative cases in New South Wales.

5 Responsibilities

5.1 Executive

- a. Ensure adequate resources are provided to implement and support this policy.
- b. Manage the implementation of and adherence to this policy.
- c. Model appropriate standards of behaviour.

5.2 Management

- a. Ensure that all Employees and Other Stakeholders are aware this policy and understand their obligations.
- b. Ensure effective implementation of and adherence to this policy.
- c. Model appropriate standards of behaviour.

5.3 Employees, Volunteers and other Stakeholders

- a. Understand and comply with this policy.
- b. Model appropriate standards of behaviour.

6 Policy

Housing Plus calculates, charges and reviews rent in line with the following principles:

- Housing is affordable.
- Rents are calculated and applied fairly and transparently.
- Tenants have clear information about how their rent is calculated.

Housing Plus calculates rent payments based on the property's market rent, a tenant's household income, and the housing program they live in. The highest rent that our tenants can pay is the market rent. Housing Plus may only vary the market rent in line with the *NSW Residential Tenancies Act 2010*.

Housing Plus tenants can apply for a rent subsidy, which will reduce the amount of money the tenant pays in rent. Housing Plus calculates and reviews rent subsidies in line with the NSW Community Housing Rent Policy requirements, which can be found here: <https://www.facs.nsw.gov.au/housing/community-housing-policies/rent>.

Housing Plus requires all tenants to pay rent in accordance with their tenancy agreement. <https://www.facs.nsw.gov.au/housing/community-housing-policies/rent>

6.1 Market rent

The market rent is the maximum rent that a tenant can pay. If a tenant does not apply for a rent subsidy, or is not eligible for a rent subsidy, then market rent applies. The tenancy agreement shows the initial market rent for the property.

Housing Plus reviews market rent valuations for the properties we own each year. For properties owned by Housing Plus, the market rent is based on the median market rent relevant to the type and location of the property as shown in the most recent *Rent and Sales Report* published by Homes NSW available here: <https://www.facs.nsw.gov.au/resources/statistics/rent-and-sales/dashboard>. When the rent amount is higher than the actual market rent, we use the current rents in that area for a similar type of housing to calculate the market rent.

For properties Housing Plus rents from private landlords, the market rent is the rent we pay for the property. The property owner sets the market rent for these properties. We will update the market rent with our tenant when we are informed of any changes.

Housing Plus provides our tenants with 60 days written notice of any changes to the market rent as required by the *NSW Residential Tenancies Act 2010*.

6.2 Setting and charging subsidised rents

Tenants who cannot afford market rent may be eligible for a rent subsidy. The rent subsidy is the difference between the rent paid by the tenant and the market rent. Subsidised rents are

calculated in line with the *NSW Community Housing Rent Policy*. The policy can be viewed here: www.facs.nsw.gov.au/housing/community-housing-policies/rent.

The table below shows how Housing Plus determines a rent subsidy:

Table 1: Assessment rate

25-30%	of total weekly gross assessable income (before tax) for: the tenant, their spouse or live-in partner, regardless of age; and household members 21 years and over
15%	of gross assessable weekly income (before tax) for all household members aged between 18-20 years (who are not the tenant, their spouse or live-in partner)
15%	of weekly Family Tax Benefit (FTB), A & B payments which are not taken through the taxation system (where applicable and excluding FTB Energy Supplement)
25%	of weekly Child Maintenance as per Services Australia's child support assessment
100%	of household's weekly Commonwealth Rent Assistance (CRA) entitlement

The market rent applies when a tenant is not eligible for a rent subsidy. The rent payable for a household, including CRA, will not exceed market rent.

Generally, Housing Plus does not sign joint tenancy agreements with more than one head tenant on the lease. If a joint tenancy is in place, Housing Plus will assess the income in accordance with the household circumstances.

6.2.1 Proof of Income

To determine a tenant's eligibility for a rent subsidy, Housing Plus requires proof of income for the tenant, their spouse/live-in partner (even if they are under 18 years of age), and all other household members aged 18 years or over.

Tenants who receive income through Centrelink can permit Housing Plus to confirm their income through the Income Confirmation Scheme (ICS) or Centrelink Confirmation eServices (CCeS). Tenants must confirm household details by returning the Household Information Survey when requested.

Housing Plus applies the proof of income requirements set out by Homes NSW here: www.facs.nsw.gov.au/housing/policies/tenancy-charges-account-management-policy-supplement.

Proof of income must be an original document, or an Income Statement obtained through Centrelink's Business Services Online. Examples of common proof of income include:

- Income statement from Centrelink
- Income statement from the Department of Veteran's Affairs

- Pay slips, letter, or statement from the employer detailing gross wage, applicable tax, deductions, pay period, and payee details for salary or wages
- Profit and loss statement completed by an accountant or taxation return for self-employed clients
- Letter or statement from an overseas government detailing the amount received, letter or statement from investment organisation about savings/investments etcetera, providing details of the amount or dividend received
- Letter from another organisation or income provider (not listed above) detailing the amount and type of income received.

Housing Plus may request additional proof of income if there is a temporary change in a household's standard income, for example, a household not receiving the standard government entitlement.

6.2.2 Determining assessable and non-assessable income and assets

Housing Plus determines assessable and non-assessable sources of income for our tenants in line with the assessable and non-assessable income criteria published by Homes NSW here: <https://www.facs.nsw.gov.au/housing/policies/assessable-and-non-assessable-income-and-assets-tables>

6.2.2.1 Irregular wages

If a tenant's income changes regularly due to casual employment, Housing Plus averages the income and Centrelink entitlements over a 12-week period. This process is repeated on a 12-week cycle. The rent charged is updated every 12 weeks in line with the average income received.

6.2.2.2 Where a tenant or a household member receives an amount that is less than a statutory rate

Housing Plus assesses the tenant and/or household member who receives an income that is less than the relevant Australian Government Payment to which they are entitled as though they receive the appropriate statutory benefit for their age and household composition. This includes people who receive wages and salaries or who are self-employed or choose not to claim the benefit they are entitled to.

6.2.2.3 Where a tenant or household member does not receive a statutory income or receives a reduced statutory income

In some instances, a tenant or household member receives no statutory income or a reduced statutory income because they:

- Have chosen not to apply for an income to which they are entitled.
- Have breached Centrelink requirements or are repaying Centrelink debt.
- Have their payment suspended by Centrelink when they are being reviewed for a different payment e.g. going from JobSeeker Payment to a Disability Support Payment or Parenting Payment.
- Are New Zealand citizens in Australia on a non-protected Special Category Visa.
- Are not eligible to receive a statutory income because:
 - they have gone overseas.

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- they receive a JobSeeker Allowance, which has been discontinued for a specified period.
- they have received compensation or other lump sum payment, or Centrelink deems them to have sufficient resources and Centrelink expects them to use those resources for living expenses.

In these circumstances, Housing Plus assumes that a tenant or household member receives a statutory income and will base the rent calculation on the statutory payment to which that person would otherwise be entitled.

6.2.2.4 Commonwealth Rent Assistance (CRA)

Housing Plus tenants and other household members may be eligible to receive CRA. When Housing Plus completes a rent review, it calculates the amount of CRA each household member is entitled to based on their rent amount.

Where a tenant is blind and receives the Disability Support Pension or Age Pension, Centrelink may determine that they will be financially worse off if they receive CRA (due to the asset test applied). In these circumstances, Housing Plus may classify the tenant or household member as ineligible for CRA. Evidence, such as a letter from Centrelink, will be required to ensure the tenant has declared the correct rent subsidy calculation.

6.3 Rent reviews

The rent subsidy is calculated at the start and during the tenancy. Tenants are asked to provide proof of income for their household to support their rent subsidy at least every six months. Table 2 sets out the three types of rent subsidy reviews and their frequency.

Table 2 - Types of rent subsidy reviews

Type	Description	Frequency
Housing Plus initiated scheduled group subsidy review	<ul style="list-style-type: none">● Housing Plus contacts the tenant and requests up to date income details	<ul style="list-style-type: none">● For government payments, every 6 months● For casual employment, every 12 weeks● For regular wages, every 12 months
Housing Plus initiated automatic group subsidy update	<ul style="list-style-type: none">● Housing Plus automatically reassesses rent subsidies by:<ul style="list-style-type: none">○ Updating Centrelink incomes by applying regular cost of living increases○ carrying forward non-statutory incomes from the previous	<ul style="list-style-type: none">● Every 6 months

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	<p>subsidy without changing the income amounts</p> <ul style="list-style-type: none"> ○ obtaining updated income details from Centrelink for some or all tenants participating in the Income Confirmation Scheme 	
Tenant initiated individual subsidy review	<ul style="list-style-type: none"> ● A tenant advises Housing Plus of a change to their household income and the subsidy is reassessed based on the income information provided 	<ul style="list-style-type: none"> ● When there is a change to household income or occupants

Tenants who fail to supply proof of household income by the due date will no longer be eligible for a rent subsidy and will be required to pay market rent from the specified due date. It is the tenant's responsibility to advise Housing Plus of any change in their income and/or family circumstances within 21 days of the change. Where a tenant does not provide this information and Housing Plus becomes aware of the change, the tenant may be required to pay the additional rent back from the date of the income change.

Tenants will be notified in writing of any changes in their assessed rent. This will include a copy of the rental assessment and the date their new rent amount will start. Where the assessed rent results in an increase in rent payable by the tenant, we will comply with the NSW Residential Tenancies Act 2010. Table 3 outlines the effective start dates for scheduled rent reviews and changes in household rent.

Table 3 - Rent start dates

Rent review outcome		New rent start date
Rent Increases	The tenant advises Housing Plus of the change of circumstances within 21 days	No later than 4 weeks from the completion of the rent review
	The tenant does not advise Housing Plus of the change of circumstances within 21 days	The new rent will start the day after the review is completed
Rent Decreases	The tenant advises Housing Plus of the change of circumstances within 21 days	The new rent will start on the date that the change occurred
	The tenant does not advise Housing Plus of the change of circumstances within 21 days	The new rent will start the day after the review is completed

6.3.1 Rent subsidy fraud

Rent subsidy fraud occurs when a tenant deliberately makes a false, incomplete or misleading statement about the income or assets of themselves or any member of their household. This includes intentionally failing to notify us about changes to their household circumstances including permitting unapproved occupants to live at the property.

Rent subsidy non-disclosure occurs when a tenant has failed to notify us of any change to their household circumstances but has not done so deliberately.

When we investigate an allegation of rent subsidy non-disclosure or fraud, we will apply procedural fairness. We will ensure that tenants are made aware of any allegations and that they will be advised of their right to provide evidence to refute any allegations made against them. Tenants will be expected to provide evidence to satisfy that the allegations of fraud are false.

If we receive information that a tenant is receiving a rent subsidy that they may not be entitled to, we are required to investigate. Once investigated, our response may include any or all the following:

- Cancellation or adjustment of the rent subsidy – this may be backdated and the debt placed on the tenant’s rental account.
- In cases of serious and deliberate fraud, take formal action to terminate the tenancy.
- If the fraud is of a criminal nature, refer the matter to NSW Police.

6.4 Other circumstances

6.4.1 Minimum rent charge

Housing Plus may assess a tenant or household member’s contribution to the rent as \$10 per week if they meet the eligibility requirements set out in Table 4.

Table 4 – Eligibility for a rent reduction

Category	Application
Nursing home, rehabilitation, respite care or a refuge (or other safe place)	The tenant or adult household member’s living expenses are increased because they are required to pay a fee for their accommodation while in a nursing home, rehabilitation centre, respite care, or a refuge (or other safe place) after leaving domestic violence. Where other adult household members are remaining in the dwelling, their income is included in the calculation of the rent subsidy. Housing Plus may apply the \$10 rent per week during the period of absence for a period of up to 3 months within a 12-month period.
Prison	Every tenant or household member, who is approved for an absence while in prison is eligible for \$10 minimum rent per week for their portion of the rent.

	<p>Housing Plus may ask the tenant to relinquish the tenancy if reasonably satisfied the imprisonment will be more than 3 months.</p> <p>Where there are remaining household members, they may apply for succession of tenancy (refer to the <i>Succession of Tenancy Policy</i> for eligibility requirements).</p> <p>If the imprisonment is expected to be more than 3 months, Housing Plus will consider the household's housing needs to identify alternative housing options.</p>
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Housing Plus will only approve \$10 minimum rent for a total of 90 days within a 12-month period. If a tenant reapplies for a \$10 minimum rent and has exceeded 90 days in a 12-month period, the submission will be reviewed by Housing Plus on a case-by-case basis and approved by the Director of Customer Service.

The tenant must provide written evidence to support their request for a rent reduction.

Where a tenant has a Specific Performance Order (SPO) granted by the NSW Civil and Administrative Tribunal (NCAT) in place, Housing Plus requires the tenant to abide by its terms. Tenants can request assistance from their local Tenants Advice and Advocacy Service to apply to NCAT to have their SPO amended.

6.4.2 Ineligibility for social housing at rent review

To ensure that social housing is available to assist people most in need, eligibility is targeted to people on a low income that are unable to find affordable housing in the private market. Where it is found a tenant is no longer eligible for social housing at the rent review, Housing Plus may give a Notice of Termination as per the *NSW Residential Tenancies Act 2010* Sections 143 - 147.

This includes where:

- The tenant owns property that can reasonably be used to resolve their housing situation
- The household income exceeds the income eligibility limits found here: www.facs.nsw.gov.au/housing/living/income-limits
- The tenant is not living at the property
- Other breaches of Homes NSW *Housing Eligibility and Allocations Policy Supplement* found here: <https://www.facs.nsw.gov.au/housing/policies/social-housing-eligibility-allocations-policy-supplement> and <https://www.facs.nsw.gov.au/housing/policies/eligibility-social-housing-policy>.

Housing Plus applies procedural fairness rules when deciding eligibility for social housing. It will also work with tenants who are no longer eligible for social housing to identify appropriate exit pathways.

Housing Plus reserves the right to withdraw a property offer if a prospective tenant is not able to provide evidence of an exemption for real property ownership.

6.4.3 Vacant bedroom charge

A vacant bedroom charge is where a Housing Plus tenant pays more money towards their rent each week, as the property is larger than they need. For example, a single person living alone in a three-bedroom property may need to pay the charge as they have two extra bedrooms not being used. Bedroom entitlements are set out in the *Allocations Policy*.

Housing Plus encourages tenants to transfer to smaller properties to free up larger properties for households who need them.

6.4.3.1 From 1 July 2025 Housing Plus may apply a vacant bedroom charge in the following circumstances:

- When a tenant requests a transfer due to under-occupancy and refuses two reasonable offers of alternative housing.
- When Housing Plus approaches a tenant to move due to under-occupancy and they refuse two reasonable offers of alternative housing and refuse to relocate.

6.4.3.2 We will not apply a vacant bedroom charge where:

- Tenants have applied and been approved for a transfer on the grounds of under occupancy before 1 July 2024.
- Tenants have been approached to relocate due to under- occupancy by Housing Plus and agreed before 1 July 2024.
- Households have been assessed and approved for an additional bedroom for children and/or medical needs.

6.4.3.3 The vacant bedroom charge rate is:

- \$20 a week per household for one person aged 16 years and over.
- \$30 a week per household for two or more people aged 16 years and over.

The Housing Services Manager must approve vacant bedroom charges before they are applied.

6.5 Rent payments

6.5.1 Rent payment at the start of a tenancy agreement

At the time of the signing of the tenancy agreement, Housing Plus charges the first two weeks' market rent in advance.

In exceptional circumstances, Housing Plus may allow a tenancy to start with payment of less than the first two weeks' rent as approved by the Housing Services Manager. A minimum of one week's rent must be paid before signing the tenancy agreement. In this situation, the tenant must immediately start a payment plan in line with the *Arrears Policy* until they are two weeks rent in advance.

Housing Plus reserves the right to withdraw a property offer if an applicant is not able to provide evidence as to why they are unable to provide the first two weeks' rent.

6.5.2 Rent payment during the tenancy

Tenants are required to pay rent on or before the due date as set out in the tenancy agreement. Failure to meet the payments agreement is a breach of the tenancy agreement.

Tenants must notify Housing Plus immediately if they are unable to make payment. Housing Plus will also let tenants know if they are behind in their rent.

Where tenants have difficulty paying their rent, Housing Plus will work with the tenant to resolve the situation in line with the *Sustaining Tenancies Policy*. This can include a repayment plan and/or referrals to specialist financial services. If a repayment agreement is not agreed or is not adhered to, Housing Plus will take further action by requesting a SPO at NCAT.

Tenants who have declared bankruptcy and have had their former rent debt discharged are required to pay ongoing rent in accordance with their tenancy agreement. Failure to pay rent is a breach of the tenancy agreement and Housing Plus may seek termination of the tenancy.

6.5.3 Payment methods

Tenants can pay their rent and other charges in the following ways:

- At any branch of the Commonwealth Bank.
- Using the payment deposit book at participating Australia Post Offices.
- Bank transfer to the Housing Plus bank account.
- Centrepay deductions from a Centrelink payment.
- Employer salary deduction.

6.6 Bond payment

At the start of a tenancy, Housing Plus requires each tenant to pay a rental bond equivalent to four (4) weeks market rent. Rental Bonds are lodged with NSW Fair Trading.

Housing Plus provides the ability to pay the bond off in instalments over a 45 week period if unable to pay in full at the time of signing the tenancy agreement.

7 Appeals and Reviews of Decisions

Decisions made under this policy can be reviewed or appealed. For more information, refer to the *Customer Feedback, Appeals and Complaints Policy*.

8 Document Control

8.1 Document History

Action	Responsible Person	Date
Created draft	Lena Jenson Chris Maybin Tracy Hurst Harmony Meath Therese Short	June 2024
Reviewed by	Liz Stamatelos Sean Ashby	December 2024 January 2025
Approved by	Justin Cantelo	February 2025