

## Rent and Rent Management

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### 1. Purpose

The purpose of this policy is to outline how Housing Trust calculates tenant's rents and manages situations where a tenant's income may change affecting the amount of rent they pay.

### 2. Guiding Principles

Tenant can expect Housing Trust to:

- Comply with the NSW Government's *Community Housing Rent Policy* and requirements of the *Residential Tenancies Act 2010*
- Be accountable for the way that rents are set and reviewed
- Provide clear and straightforward advice if and when market rents or rent subsidies are changed
- Conduct subsidy reviews twice yearly

### 3. Community Housing Rent Policy

Housing Trust will apply the NSW Government's *Community Housing Rent Policy* to all community housing tenancies in the portfolio. A copy of the policy will be made available to tenants on request.

### 4. Rent Management

#### **Rent collection**

Tenants can pay their rent either weekly or fortnightly but at all times it should be paid on time and be in advance if weekly one (1) week if fortnightly two (2) weeks in advance.

#### **Payment methods**

In accordance with the *Residential Tenancies Act 2010*, Housing Trust will provide at least one free method for tenants to make rent payments.

Rent can be paid using any of the following methods: Centrepay; Internet Banking / Direct Deposit; Rent Card at selected Post Offices; Money Orders/Cheques.

#### **Rent receipting and rent statements**

A written rent statement is sent to all tenants quarterly. A tenant may request an updated rent statement at any time, which will be provided within five (5) working days.

#### **Rent arrears**

Tenants are required to always be one (1) or two (2) weeks in advance with their rent depending if they pay weekly or fortnightly (see *Arrears Management policy*)

## 5. Proof of Income

Tenants must declare all assessable income (refer to Community Housing Rent Policy) and must provide proof of income for themselves and other household members aged 18 years or over.

Tenants are responsible for declaring any changes to their income and that of all household members within 21 days.

Proof of income can include the following:

- Income statement from Centrelink or Department of Veterans Affairs
- Payslip, letter or statement from an employer detailing the gross wage, applicable tax, deductions, pay period and payee details for salary or wages, tax assessments.
- 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 an investment organisation about savings/investments etc. providing details of the amount received.

## 6. Rental Fraud

In cases where rental fraud is suspected (e.g. a tenant has intentionally not declared changes to household income), Housing Trust may cancel a rental subsidy and charge market rent pending proof of income (see Rental Fraud Policy).

## 7. Market Rent

Market rent is the rent that a property would attract if rented on the private market. Housing Trust will assess the market rent of all properties and advise tenants of the outcome as per the requirements of the *Residential Tenancies Act 2010*.

The median market rental figures for the LGA (compiled from information on bond lodgements) will be used as a guide for market rent.

## 8. Review of Rent Subsidies

Rent subsidy reviews are an essential part of Housing Trust's operations to ensure that assistance continues to go to those households who are most in need. There are two rent subsidy reviews conducted a year.

If a rent subsidy review reveals that a tenant's household income has increased and the tenant has failed to notify Housing Trust within the 21 day period, the tenant may have their rent subsidy cancelled or backdated in accordance with Housing Trust's Rental Fraud Policy.

Where a tenant does not provide the information required to assess their ongoing eligibility to receive a subsidy, the subsidy will be cancelled and full market rent applied until such time as the information is provided. If you are on market rent an investigation into eligibility will be conducted to ensure you are within the income limits of Housing Trust.

## 9. Casual or irregular wages

Where a tenant receives casual or irregular wages, rent subsidies are calculated on the basis of average earnings from the previous 12 weeks or on the basis of annual earnings.

Where a tenant commences work for the first time, Housing Trust will assess the new rent subsidy after the first 12 weeks. This 'grace' period is applicable only once to the tenant during the term of the tenancy.

## 10. Hardship & special circumstances

A tenant can apply for consideration of hardship based on special or exceptional circumstances. Such an application must be made in writing detailing the reasons for hardship.

Tenants can expect Housing Trust to deal with such situations sensitively; however, sufficient evidence will be sought by Housing Trust prior to determining any special circumstances.

### **No income**

Where a tenant or household member has no income or receives a reduced statutory income, Housing Trust will assess the rent subsidy based on the statutory income the person would normally receive.

### **Approved absences**

Tenants must continue to pay their current rent during any period of absence from the property. A tenant may apply for a temporary reduction in rent for up to 12 weeks if they or another household member are:

- Receiving treatment in a rehabilitation facility (e.g drug & alcohol or mental health)
- A sole occupant who is in a nursing home
- In hospital for long term care
- In respite care
- In prison
- In a refuge or alternative accommodation due to escaping domestic or family violence or being at risk.

The following principles apply when determining any temporary reduction in rent:

- Tenants/household members will only be eligible for a reduction in rent if they are required to pay fees during the absence such as accommodation expenses or are not entitled to receive income during the absence
- Evidence must be provided detailing the commencement and end dates as well as the expenses incurred

Usually approved minimum subsidies will apply for a period of six (6) weeks and rent will be reduced to a minimum amount of \$5 per week. Longer periods up to three (3) months may be approved. However, where periods in excess of three (3) months are requested, a more detailed assessment will be required and rehousing on termination of rehabilitation/incarceration under a Tenancy Reinstatement process may be a more appropriate option to ensure efficient use of Housing Trust's housing portfolio.

## 11. Review of Rent

Tenants can only appeal decisions made regarding their rent and rent subsidy assessments, if the tenant believes the Housing Trust have not applied policy.

## 12. Paddy's Place

Tenants at Paddy's place are in either temporary or transitional accommodation. On occasion, a tenant can arrive at Paddy's as a temporary tenant and then become a transitional tenant. If a tenant exits from Paddy's as a temporary tenant the Housing Trust will not attempt to collect any arrears, if they exist. If the tenant returns, or is transitioned into transitional accommodation at Paddy's any rental debt they incurred as a temporary tenant will require payment. Under circumstances of extreme financial hardship tenants will be required to enter into a payment plan.