Hunter Community Housing - Social Housing Rent Policy

Section 1 - Purpose

(1) This policy outlines how rent is calculated and how the rent review process is managed for social housing tenancies.

(2) Hunter Community Housing will apply a consistent and transparent rent setting approach which aims to ensure affordable outcomes for tenants and comply with contractual obligations for setting rents.

Section 2 - Scope

(3) This policy applies to tenants living in social housing managed by Hunter Community Housing.

(4) For properties that are governed by an agreement between NSW Department of Communities and Justice and Hunter Community Housing for the provision of Community Housing, Hunter Community Housing acts in accordance with the NSW Community Housing Rent Policy.

Section 3 - Responsibilities

Role	Responsibilities
Hunter Community Housing Board	The governing body of Hunter Community Housing responsible for the approval of this policy.
General Operations Manager	Responsible for the implementation and communication of this policy.
Workers	Ensure they have read, understood and comply with the policy.
Hunter Community Housing tenants	To follow this policy and provide any relevant information to Hunter Community Housing.
The Diocese Governance Department	Managing the review process and publication of this policy.

Section 4 - Policy Principles

Market Rent

(5) Market Rent Reviews are conducted annually for Government owned properties. Community Housing Providers must use data relevant to the type and location of the property, published in the NSW Department Communities and Justice Rent and Sales Report. Hunter Community Housing will use the median rent published in the Rent and Sales Report.

(6) Market Rent for leased (privately owned) properties is the rent payable by Hunter Community Housing to the owner or landlord of the property. Leased property market rents are set by the owner or the landlord of the property.

(7) In accordance with the Residential Tenancies Act 2010 s 41 (1), tenants will be provided written notice of a market rent increase and given at least 60 days before the increased market rent is payable.

(8) In accordance with the Residential Tenancies Act 2010 s41 (1), where tenants pay market rent, the rent payable under a fixed term lease agreement may not be increased more than once in any 12-month period.

(9) Market rent is the maximum amount payable for a tenant.

Rent Assistance

(10) Rent Assistance is a payment from Services Australia (Centrelink) or the Department of Veterans Affairs (DVA) paid to their customers who pay rent above the threshold limit determined by the government. More than one household member may be eligible to receive rent assistance if their portion of the rent paid is above this threshold limit.

(11) Rent Assistance is paid directly to an eligible customer and not to their housing provider.

(12) 100 percent of the household's Rent Assistance entitlement is included in the rent calculation.

Rent Subsidies

(13) Tenants living in a social housing property managed by Hunter Community Housing may be eligible for a rent subsidy.

(14) Rent subsidies are available to households on low or very low incomes. The income limits are determined by the NSW Department of Communities and Justice.

(15) A tenant may not be eligible for a rent subsidy if the tenant, or the partner of the tenant, own a property that could provide a viable alternative to social housing.

(16) If a rent subsidy is granted, the amount of rent a tenant is required to pay may be reduced.

(17) Hunter Community Housing does not pay the rent subsidy to the tenant but deducts it directly from the market rent.

(18) New tenants must complete a Rental Subsidy Application to apply for a rent subsidy on commencement of their tenancy.

(19) Existing tenants requesting a rent assessment must complete a Rent Subsidy Application to re-apply for a rent subsidy during their tenancy.

(20) Tenants must provide proof of income for the tenant, the partner of the tenant and all household members aged over 18 years within the timeframe specified on the Rent Subsidy Application, or they will be deemed ineligible for a rent subsidy and market rent will be applied.

(21) A Rent Subsidy Application is not required to be completed during a Periodic Rent Review.

Calculating a Rent Subsidy

(22) Where a household is eligible for a rent subsidy, the calculation applied to determine the weekly rent payable is:

a. 25 to 30 percent of assessable income for the tenant and the partner of the tenant; regardless of age; and any household members 21 years and over.
b. 15 percent of assessable income for all household members aged between 18 and 20 years, who are not the

tenant or the partner of the tenant.

c. 15 percent of Family Tax Benefit Payments Parts A and B received by any household member included in the calculation.
d. 100 percent of the household's weekly Commonwealth Rent Assistance entitlement.

(23) The rent payable including Commonwealth Rent Assistance cannot exceed market rent.

(24) If a household's income is equal to or exceeds the income limits determined by the NSW Department of Communities and Justice, the household is not eligible for a rent subsidy and market rent will be applied.

(25) If a household cannot substantiate their eligibility for a rent subsidy, the household will be deemed to be ineligible for a rent subsidy and market rent will be applied.

(26) For shared tenancies where individual tenants have their own Residential Tenancy Agreement, the total amount of rent collected for the property cannot exceed the market rent for the property.

(27) Rental subsidy calculations are regularly checked and verified as part of our quality assurance activities.

Participation in the Income Confirmation Scheme

(28) If a tenant or household member receives a payment from Services Australia (Centrelink), they can provide consent to Hunter Community Housing to request their income information from Centrelink on their behalf, through the Income Confirmation Scheme.

(29) If a tenant or household member agrees to participate in the Income Confirmation Scheme, Hunter Community Housing may request evidence of the tenant or household's members assessable income from Centrelink to determine the household's eligibility for a rent subsidy.

(30) If a tenant or household member participates in the Income Confirmation Scheme and receives income in addition to their Centrelink payment, they will need to provide evidence of this income separately.

(31) Hunter Community Housing may request additional evidence from the tenant or household member to confirm the household's income.

Proof of Income

(32) Proof of income must be provided for the tenant, the partner of the tenant and all household members aged over 18 years of age to confirm a household's eligibility for a rent subsidy.

(33) The tenant is responsible for providing proof of income for the tenant, the partner of the tenant and all household members aged over 18 years of age.

(34) Proof of income must not be more than 1 month old excluding documentation relating to self-employment as outlined in Table 1: Acceptable Proof of Income.

(35) The following table lists the documents Hunter Community Housing will accept as proof of income:

Table 1: Acceptable Proof of Income

Type of Income	Acceptable Proof of Income
Income from Services Australia (Centrelink)	An income statement from Centrelink. If a person has given consent for the Income Confirmation Scheme (ICS), Hunter Community Housing will download the income statement on their behalf.

Type of Income	Acceptable Proof of Income
Income from the Department of Veteran's Affairs (DVA)	An income statement from Department of Veteran's Affairs (DVA) or Centrelink.
Overseas Pensions	An income statement from Centrelink or a letter or statement from an overseas government that show the payment type, frequency and amount paid.
Wages	If the person receives income from wages only: A Letter of Offer from their employer showing their gross wage, deductions and pay period details or payslips with the year-to-date earnings listed. If the person receives wages and a payment from Centrelink: Copies of payslips and the Centrelink Income Statements that align with the period of the payslips If the person has given consent for Income Confirmation Scheme, the income statement will be downloaded on their behalf
Self-Employed	A Profit and Loss statement completed by an Accountant within the last six months or an Income Taxation Return for the most recent financial year.
Income from Child Support or Maintenance	An income statement from Centrelink or a letter or statement from the Child Support Agency (CSA) that shows the amount of maintenance income received. If the person has given consent for the Income Confirmation Scheme, the income statement will be downloaded on their behalf.
Income from Investments	An income statement from Centrelink or a letter or statement from an organisation that shows the type of income, frequency and amount paid. If the person has given consent for the Income Confirmation Scheme, the income statement will be downloaded on their behalf.
Income from Compensation Payments	An income statement from Centrelink or a letter or statement from an organisation that shows the type of income, frequency and amount paid. If the person has given consent for the Income Confirmation Scheme, the income statement will be downloaded on their behalf.
Other Income	An income statement from Centrelink or a letter or statement from an organisation that shows the type of income, frequency and amount paid. If the person has given consent for the Income Confirmation Scheme, the income statement will be downloaded on their behalf.
Property Assets	An income statement from Centrelink or a certified copy of a Certificate of Title, a mortgage document or other relevant documentation. Documents showing percentage of ownership, a recent property valuation completed by a certified valuer and any income received from the property.
No Income	Evidence of a Visa which precludes a person from receiving an income or a Statutory declaration completed by the person accompanied with copies of the last six months of their bank statements.

Periodic Rent Reviews

(36) Hunter Community Housing will review the level of rent paid by a tenant at least every six months to ensure that a tenant remains eligible for a rent subsidy and are charged rent in accordance with the NSW Community Housing Rent Policy.

(37) Tenants will receive notification that the Periodic Rent Review has commenced. Proof of income will be requested from the tenant, the partner of the tenant and other household members aged 18 years or over.

(38) Proof of income is required within 28 days, or the household may lose their eligibility for a rent subsidy and market rent will be applied. Market rent will be charged until the date that proof of income has been returned for the whole household or the date that the new rent is due to come into effect, whichever is the later.

(39) Where proof of income has not been provided in the first rent review a young adult aged 18-20 is included in, the

young adult's income will be imputed as if they were in receipt of Youth Allowance at the dependent rate and will be included in the rent calculation. The household will not be set to market rent. The young adult must not be the tenant or the partner of the tenant.

(40) If income is not returned for the young adult in the next rent review, the household will be charged market rent until the date that proof of income has been returned for the whole household or the date that the new rent is due to come into effect, whichever is the later.

(41) Tenants will receive notification of the new rent payable amount and the date the new rent is due to come into effect as outlined in Table 4: Effective dates for rent changes.

(42) Periodic Rent Review calculations are regularly checked and verified as part of our quality assurance activities.

Changes in circumstances or household income

(43) Tenants must inform Hunter Community Housing of a change in circumstances or household income within 28 days of the change occurring.

(44) Tenants will be required to complete a Rent Subsidy Application and proof of income will need to be provided for the tenant, the partner of the tenant and other household members aged 18 years or over in order to determine if the household is eligible to receive a rent subsidy.

(45) Where an additional occupant has been approved to move into the property by Hunter Community Housing, tenants will be required to complete a Rent Subsidy Application and provide proof of income for the tenant, the partner of the tenant and other household members aged 18 years or over, including the approved additional occupant, in order to determine if the household is eligible to receive a rent subsidy.

(46) Where an occupant, that is not the tenant, has been approved to be removed from a tenancy by Hunter Community Housing, tenants will be required to complete a Rent Subsidy Application and provide proof of income will for the tenant, the partner of the tenant and other household members aged 18 years or over in order to determine if the household is eligible to receive a rent subsidy.

(47) The new rent payable will take effect from the date outlined in Table 4: Effective dates for rent changes.

(48) The following table lists the documents Hunter Community Housing will accept as proof of a change in circumstances or income for the tenant, the partner of the tenant or a household member aged 18 years or over:

Table 2: Proof of a change in circumstances or household income

Change in Circumstance and or/household income	Acceptable Proof of Change
Income from Services Australia (Centrelink)	An income statement from Centrelink. If a person has given permission for Income Confirmation Consent (ICS), Hunter Community Housing will download the income statement on their behalf.
Commenced employment	If the person receives income from wages only: A Letter of Offer from their employer showing their gross wage, deductions and pay period details or payslips with the year-to-date earnings listed. If the person receives wages and a payment from Centrelink: Copies of payslips and the Centrelink Income Statements that align with the period of the payslips. If the person has given consent for the Income Confirmation Scheme, the income statement will be downloaded on their behalf.

Change in Circumstance and or/household income	Acceptable Proof of Change
Ceased employment	A separation certificate or letter from the employer. If the person is unable to obtain written evidence from the employer, a statutory declaration must be completed.
Receives less Child Support or Maintenance than shown on their Centrelink Income Statement	A letter or statement from the Child Support Agency (CSA) that shows the amount of maintenance income received.
New child	An income statement from Centrelink showing the correct number of children the person has in care which shows the new payment they will receive. If the person has given consent for the Income Confirmation Scheme, the income statement will be downloaded on their behalf.
Child has moved in or out of their care	An income statement from Centrelink showing the correct number of children the person has in care which shows the new payment they will receive. If the person has given consent for the Income Confirmation Scheme, the income statement will be downloaded on their behalf.
A young adult has turned 18 years of age	Proof of income as outlined in Table 1: Acceptable Proof of Income
Changed their relationship status	An Income Statement from Centrelink or the Department of Veteran's Affairs (DVA) showing the updated partnered status and the new payment the person will receive. If the person has given consent for the Income Confirmation Scheme, the income statement will be downloaded on their behalf.
Had a change in their income (This includes when a person's Centrelink payment type has changed)	An income statement from Centrelink or Department of Veteran's Affairs (DVA) showing the new payment the person will receive. If the person has given consent for the Income Confirmation Scheme, the income statement will be downloaded on their behalf.
Has moved out of the household	Copy of the exited person's driver's license, lease agreement, electricity account or other formal document showing the person's new address. If the tenant is unable to obtain this information from the exited person, the tenant will need to complete a statutory declaration.
Any other circumstances where there has been a change in the household or the household income	A letter from an organisation or agency that shows the type of income, frequency and the amount paid.

Assessing income where a person receives no income or reduced income

(49) A person may not receive an income or a reduced statutory income because they:

a. Have chosen not to apply for an income to which they are entitled.
b. Are not eligible to receive a statutory income because they have gone overseas.
c. Are not eligible to receive a statutory income because they are receiving a Jobseeker Payment and have not sought work and have therefore become ineligible for payments for a specified period.
d. Are not eligible to receive a statutory income because they have received a compensation or lump sum payment and Centrelink expects them to use these resources for living expenses.
e. Have breached Centrelink requirements or are repaying a Centrelink debt.
f. Are a New Zealand citizen who are in Australia on a non-protected Special Category Visa. In these situations, Hunter Community Housing will assume that the person receives the statutory benefit to which they would otherwise be entitled to for their age and household composition.

Assessing income where a person receives an amount less than the statutory rate

(50) Hunter Community Housing will assess people who receive an income that is less than the statutory benefit to which they would otherwise be entitled, as though they did receive the appropriate statutory benefit for their age and

household composition.

(51) This includes people who receive wages or are self-employed.

Assessing wages that fluctuate

(52) Hunter Community Housing will average the income of a tenant or household member that receives a fluctuating wage up to a maximum of a 12-week period, or for new employment of less than 12 weeks, over the period since the commencement of the employment.

(53) Tenants or household members that have not given consent to the Income Confirmation Scheme may be required to provide income for up to a 12-week period or the average calculation may be processed based on the information provided.

(54) Overtime payments are included as part of the tenant or household members assessable income.

Assessing income for self employed

(55) A self employed client or household member must provide a profit and loss statement completed by an accountant or a tax return for the most recent financial year as proof of income.

(56) Hunter Community Housing will determine the client or household member's assessable income in accordance with the NSW Community Housing Rent Policy | Family & Community Services.

(57) When a client or household member's income is calculated to be less than the statutory benefit to which they would otherwise be entitled, income will be deemed to be as though they did receive the appropriate statutory benefit for their age and household composition. Refer to Assessing income where a person receives an amount less than the statutory rate.

Eligibility for $5 minimum rent

(58) In some situations, Hunter Community Housing will assess a tenant or household member's contribution to the rent as $5 per week.

(59) The tenant must complete a Rent Subsidy Application and provide documentation to substantiate a claim for the minimum rent charge.

(60) If a minimum rent charge is granted, Hunter Community Housing will review the household rent every three months.

(61) The following table lists the situations in which Hunter Community Housing will grant a claim for the minimum rent charge:

Table 3: $5 minimum rent criteria

Situation	Details
No Centrelink Income as partner earns too much	The tenant or household member receives no other income (or receives only Family Tax Benefits) and is not eligible for Centrelink benefits due to their partners income.
Sponsorship, two years of five-year waiting period or holding temporary visa while waiting for a Department of Home Affairs decision on immigration status	The tenant or household member receives no other income (or receives only Family Tax Benefits) and is not eligible for Centrelink benefits due to their immigration status.

Situation	Details
Youth Allowance/Abstudy and the Family/Parental means test	The tenant or household member: ♦ Is not eligible to receive a Centrelink benefit due to Centrelink's family/parental means test. ♦ Is not considered to be independent by Centrelink. ♦ Has no other income. Some household members over the age of 18 years do not receive a Centrelink income, have no other income and their parents receive Family Tax Benefits on their behalf. These household members are eligible to pay $5 minimum rent.
Nursing home, rehabilitation, respite care or a refuge (or other safe place)	The tenant or household member's living expenses are increased as they are required to pay a fee for their accommodation while in a nursing home, rehabilitation centre, respite care or in a refuge; or other safe place; after leaving domestic violence. Income will be included for any household members that remain in the property.
Incarceration	The tenant or a household member is incarcerated; in prison. Income will be included for any household members that remain in the property. Hunter Community Housing can ask the tenant to relinquish their tenancy if the incarceration period is due to be longer than six months. Where there are other household members, Hunter Community Housing will review the household's circumstances and consider whether another household member is able to succeed the tenancy.

(62) Hunter Community Housing will not apply a $5 minimum rent where a tenant or household member is on holidays, overseas or is away for an acceptable absence or to the estate of a deceased tenant who was the sole occupant of the property.

Rent subsidy fraud or non-disclosure

(63) Rent subsidy fraud occurs when a tenant has made a false representation of facts about themselves or their household; whether by intentionally withholding information or providing misleading statements.

(64) Rent subsidy non-disclosure occurs when a tenant has unintentionally not advised Hunter Community Housing of a change to their household circumstances or income.

(65) Hunter Community Housing may backdate a rent subsidy or a cancellation of a rent subsidy where there has been proven rent subsidy fraud or non-disclosure.

(66) The rent subsidy or cancellation of a rent subsidy may be backdated to the date that the change occurred.

Effective dates for rent changes

Table 4: Effective dates for rent changes

Rent Review Type	Effective Date
Market Rent Increase	60 days + 7 business days postage notice; if applicable.
Income returned for household for Periodic Rent Review	Minimum 15 days' notice from receipt of New Rent Letter.
Income not returned for household for Periodic Rent Review	Minimum 15 days' notice from receipt of New Rent Letter.
Income returned for household after not proving eligibility for rent subsidy (Being set to market rent)	The date the income for the household was returned or the date the New Rent came into effect, whichever is the later.
Rent Increase: Tenant notified Hunter Community Housing of the change within 28 days	7 business days postage notice from when the rent calculation is processed.
Rent Decrease: Tenant notified Hunter Community Housing of the change within 28 days	Decrease will be backdated to the date of the change.

Rent Review Type	Effective Date
Rent Increase: Tenant did not notify Hunter Community Housing of the change within 28 days	This may be considered rent subsidy fraud or non-disclosure and the increase may be backdated to the date of the change.
Rent Decrease: Tenant did not notify Hunter Community Housing of the change within 28 days	Rent decrease will be applied from the date the tenant notified Hunter Community Housing.
An additional occupant moves into the household	The date that the additional occupant moved into the household.
Approved eligibility for $5 minimum rent	Decrease will be backdated to the date that the $5 rent eligibility was approved from.
Person returns to the dwelling after a $5 rent period	The date that the person returned to the household after an approved $5 rent eligibility period.
Family tax payments have changed due to the birth of a baby	The date that the person's Family Tax Benefit payments changed.
Proven rent subsidy fraud or non-disclosure	Rent will be backdated to the date that the change occurred.

Hardship

(67) Tenants experiencing difficulties with rent due to a change in circumstances may apply for hardship assistance.

(68) Further information can be found in the Tenancy Management Policy.

Section 5 - Appeals and Internal Review

(69) If a tenant disagrees with a decision Hunter Community Housing has made they should speak to Hunter Community Housing.

(70) If they are still dissatisfied, they can request an internal review accordance with the Hunter Community Housing Appeals Policy.

Section 6 - Consequences of Breaching this Policy

(71) Any worker found to be in breach of this policy may be subject to disciplinary action, including where a serious breach occurs, dismissal.

Section 7 - Notations

(72) If there is any inconsistency between a policy document in existence before the commencement of this policy, and a policy document developed after the commencement of this policy, the later applies to the extent of the inconsistency.

Section 8 - Document Review

(73) This policy will be reviewed when there is a legislative change, organisational change, delegations change, technology change or at least every 3 years to ensure it continues to be current and effective.

Status and Details

Status	Current
Effective Date	18th October 2024
Review Date	18th October 2027
Approval Authority	Head of Governance
Approval Date	15th September 2024
Expiry Date	To Be Advised
Unit Head	Ray Bowen Director Property and Housing
Enquiries Contact	Hunter Community Housing

Glossary Terms and Definitions

"Income Confirmation Scheme" - Allows Centrelink to share tenant income details with Hunter Community Housing. The Income Confirmation Scheme is voluntary and completely confidential.

"Market Rent" - The market rent for Government owned properties is the median rent published in the NSW Department of Communities and Justice Rent and Sales Report. The market rent for leased (privately owned) properties is the rent set by the owner or landlord of the property.

"Periodic Rent Review" - A review of the rent paid by the tenant that takes place at least every 6 months from the commencement date of the rental agreement.