

Rent Setting Policy

Version 10.2

This policy has been adopted by:

Name of Company	Adoption Date
Community Housing Ltd (CHL)	June 2023
Community Housing (Vic.) Ltd (CHVL)	June 2023
Community Housing (TAS) Ltd (CHTL)	June 2023
Community Housing (QLD) Ltd (CHQL)	June 2023
Community Housing (Cairns) Ltd (CHCL)	June 2023
Community Housing (Pathways) Ltd (CHPL)	June 2023

And any other entities within CHL which adopt this policy.

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1. INTRODUCTION

Rent setting refers to a system of setting rents to ensure that rents are in accordance with national and state-based requirements and obligations and the vision and mission of Community Housing Ltd. as an affordable, social and community housing provider. Community Housing Ltd. Group of Companies (CHL) practises clear and transparent processes when setting customers’ rents.

2. AIM

HL aims to offer properties for rent at affordable rates, so that the rent a customer will pay is determined with consideration of the customers household income, the customers capacity to pay and relieves housing stress for our customers. To help achieve its aim of setting affordable rents, CHL also makes every attempt to develop and manage safe, affordable, suitable, and quality housing that gives people stability to build their life and community.

This policy sets out the principles of how CHL sets rent to achieve its aim.

3. PRINCIPLES OF CHL’S RENT SETTING POLICY

3.1. Agreements with State and Federal Governments

CHL manages many of its properties according to agreements with State and Federal Governments, partners or investors. CHL is required to observe its contractual or program obligations in relation to setting rents for all properties that are managed under such agreements. CHL officers are responsible for ensuring that these agreements are upheld and rent amounts are set as per its contractual arrangements in the first instance.

CHL complies with Australian Taxation Office (ATO) requirements regarding rent setting, to ensure it maintains its charitable tax concessions.

3.2. Rent setting and gross household income

For properties CHL manages which are not subject to rent setting agreements with State and Federal Governments, partners, or investors, CHL sets rent to ensure affordability at:

- Up to 30% of gross household income inclusive of all sources, plus
- 100% of any Commonwealth or Department of Veterans Affairs Rent Assistance for which the customer is eligible,
- With the total amount being capped as per the market rent ruling defined by the Australian Taxation Office for GST compliance.
- In relevant states, property costs for services and utilities may be included in the total rent payable amount.

CHL may, at its discretion, charge a lower rent amount. This may be for a specified timeframe and/or in exceptional circumstances deemed appropriate by CHL and the amended rent charge must be approved by the State Operations Manager. This may also include employing incremental increases to support customers in transitioning to increased rent payable amounts that may be significant.

3.3. Rental bonds

Where applicable, CHL will take a rental bond at the start of a new tenancy, up to an amount equal to 4 weeks rent set for the property. All bonds will be lodged with and held by state Bond Authorities until such time as a tenancy ends and the customer vacates the property.

Any bond amount paid will be released, minus any amount owing or applicable deductions, following the vacation of the property and the end of a tenancy as per state legislative requirements.

In the case of a customer transferring to a different CHL property, the existing bond may, in some circumstances, be transferred to the new tenancy and property. If this occurs, all amounts owing, or applicable deductions relating to the previous property and tenancy, remain payable by the customer. Should the bond amount on the new property be more than the original bond held, the customer will be required to pay the difference which will be lodged with and held by the relevant state Bond Authority.

3.4. Communication regarding rent setting

Customers are advised under which rent program their property is managed and how their rent is calculated at the time they sign their tenancy agreement with CHL. CHL is committed to ensuring its customers understand exactly what their rent charge is and how it is calculated at all times.

To provide great service, CHL requires its customers to communicate clearly regarding any changes to their circumstances at any time. Notification of any change of income and/or the household within 14 days of the change occurring is required to ensure CHL customers continue to pay the correct amount and do not fall into rental arrears.

If customers have any queries, they are encouraged to contact their nearest CHL office to discuss these in detail.

3.5. Rent decreases

CHL is aware that from time to time, its customers' household income encounters changes that may result in the rent amount payable decreasing for some customers paying income-based rent.

Any applicable rent decrease will be effective from the date CHL was notified of the change in the customer's household income, and provided all required documentation information and evidence has been received from the customer by CHL within 7 days of notification, where practicable.

3.6. Backdating of rent decreases

Where the customer has an acceptable and genuine reason for having been unable to provide the required documentation within the designated period of 7 days from the initial notification of change of circumstances, consideration may be given to backdating the rent decrease to the time of the change in gross assessable household income.

Approval can be sought from the State Operations Manager up to one month in arrears. Applications for the backdating of rent decreases of more than one month requires the approval of the National Manager Operations.

3.7. Rent and/or income reviews

CHL conducts Rent and/or Income Reviews for all of its tenancies at least once per calendar year, according to program requirements and relevant legislation in its operating jurisdictions. During this process, the rent payable by the customer will be reviewed by assessing their gross household income should they be on an income-based rent, or against market rental and/or discount market rental values, in line with the program guidelines under which the property is managed. These reviews may result in the rental amount payable by a customer changing and may result in either increasing or decreasing, depending on their circumstances at the time of the review.

Customers must respond promptly to requests for information and evidence of household income and supply documentation to CHL within 14 days of a request being made. If a customer refuses or ignores requests to supply information and documentation within requested timeframes, CHL may in line with contractual and housing program requirements, revert the rental rate to a market-based rent and/or withdraw any rental rebate/subsidy.

Where evidence of income cannot be supplied due to extenuating circumstances, CHL may deem income for household members in line with current rates of applicable statutory benefit payments, for which the customer would be eligible and entitled to receive. Deemed income for the purpose of rent setting may only be used in situations with reasonable grounds and approved for use by the State Operations Manager.

Customers will be notified in writing of the outcome of the review and any changes to the amount of rent payable with adequate notice provided, as determined by the relevant governing legislation and/or contractual obligation under which the property is managed. This includes if there are no changes to the current amounts payable by the customer.

3.8. Assistance for customers experiencing difficulties with rent

CHL has developed a range of policies including its 'Hardship Policy', 'Sustaining Tenancies Policy' and 'Linking Customers to Supports Policy', to assist customers whose circumstances have changed or who have incurred additional costs associated with their health, disability, remote location or other circumstances that impact on their cost of living.

CHL is committed to working with its customers to assist and refer them to access appropriate supports to sustain their tenancy and maintain a stable and secure home. Customers are encouraged to use the provisions of the supporting policies in the case of rent difficulties.

3.9. Rent increases when household incomes change due to employment

CHL seeks to assist its customers to increase their financial confidence and capacity to participate economically and in their communities. For customers who advise CHL, outside of a Rent Review process, that their household income has increased due to the securing of employment, CHL will provide a transition period of up to 6 months before increasing the rent payable, if they are on an income-based rent.

3.10. Customer feedback and appeal of decisions

CHL welcomes its customers to query any decisions it makes and/or ask questions about our work practices. If a customer wishes to provide feedback to CHL and/or believes a decision made by CHL is incorrect, they can lodge customer feedback and/or an appeal using the CHL Customer Feedback Policy or the CHL Appeals Policy.

4. RELATED RESOURCES

4.1. CHL Group References

CHL Customer Promise
CHL Customer Feedback and Appeals Policies and Procedures
CHL National Housing and Homelessness Policies and Procedures
CHL Privacy Policy and Procedures

4.2. External References

National Regulatory Community Housing Standards
Victorian Community Housing Regulatory Framework
Western Australian Community Housing Regulatory Framework
Housing Assistance Act 1996 (COM)
State Housing Acts (NSW 2001, NT 1982, QLD 2003, SA 1995, TAS 2022, VIC 1983, WA 1980)
State Residential Tenancy and Rooming Acts (NSW 2010, NT 1999, QLD 2008, SA 1995, TAS 1997, VIC 1997, WA 1987)
Community Housing Providers National Law Acts 2013 (NT, NSW, QLD, SA and TAS)
The National Affordable Housing Agreement
NRSCH National Regulatory Code
Consumer Charter for Community Managed Housing and Homelessness Services (VIC)
NDIS Quality and Safeguarding Framework
National Disability and Insurance Scheme Act 2013
NDIS Code of Conduct
The Human Rights and Responsibilities Charter Act 2006 (VIC)
Human Rights Act 2019 (QLD)
Privacy Act 1988 (COM)

5. MONITORING AND REVIEW

This policy is maintained and managed by the CHL Group's Chief Operations Officer.

This document should be reviewed and revised periodically and/or as required. The period between reviews must not exceed two years. This document remains valid until such time that a new version is published

Review History

Document reference	Date Approved	Version	Reason for review	Review frequency	Owner	Approver(s)
POLHOUAUSNATREN202410	Mar 2024	10.2	Reformat	Existing	Chief Operations Officer	Executive
POLHOUAUSNATREN202310	June 2023	10.11	NT Inclusion	Existing	National Manager Operations	Managing Director National Manager Operations
POLHOUAUSNATREN202310	May 2023	10.0	Scheduled review	Every two years	National Manager Operations	Managing Director National Manager Operations
POLHOUAUSNATREN202009	Oct 2021,	9.1	Minor change	Every two years	National Manager Operations	Managing Director National Manager Operations
POLHOUAUSNATREN202009	Sept 2020	9.0	Scheduled review	Every two years	National Manager Operations	Managing Director National Manager Operations
POLHOUAUSNATREN201908	May 2019	8.0	Scheduled review	Every two years	National Manager Operations	Managing Director National Manager Operations
POLHOUAUSNATREN201707	July 2017	7.0	Scheduled review	Every two years	National Manager Operations	Managing Director National Manager Operations