

# Rent and Eligibility

Community housing tenants are required to pay rent along with a rental bond and in some instances a service charge. The amount required will vary depending on the type of housing provided along with household income and individual circumstances.



Tenants must also be eligible to receive assistance from the social housing system—ongoing eligibility is also specific to the type of housing provided.

## What type of housing assistance am I receiving?

The type of housing assistance you are receiving is detailed in your Tenancy Agreement's Annexure A. The annexure details the housing program applicable to the property and the rent and eligibility requirements.

## How is my rent calculated?

The Department of Communities, Housing and Digital Economy's Community Housing Rent Policy outlines how rent amounts are set based on the type of housing assistance:

Housing Program	Rent Model
Long Term Community Housing Transitional Housing – Community Rent Scheme Crisis Accommodation Program	25% of gross assessable household income, plus any Commonwealth Rent Assistance entitlements (see note).  The calculated rent will not exceed the market rent value for the property.
Community Managed Studio Units Transitional Housing – Community Managed Studio Units	28% of gross assessable household income, plus any Commonwealth Rent Assistance entitlements (see note).  The additional 3% covers the costs of supplying a fully furnished property, including replacement costs for fair wear and tear.  The calculated rent will not exceed the market rent value for the property.

Affordable Housing Program	Income Based – 30% of gross household income, plus any Commonwealth Rent Assistance entitlements (see note).  The calculated rent will not exceed 74.9% of the market rent value for the property.
	Fixed Rent (property based) – 74.9% or less of the property's market rent value.  As a guide, affordability is assessed at 30% of gross household income, plus any Commonwealth Rent Assistance entitlements (see note).

Note: Commonwealth Rent Assistance (CRA) is not considered income and therefore is not assessed as a percentage of income. Instead, the total CRA to which all household members are entitled is added to the rent assessment, regardless of whether they receive the payment or not.

## What is Commonwealth Rent Assistance?

Commonwealth Rent Assistance (CRA) is a specific payment from Centrelink to help eligible people pay their rent. CRA is paid to people who rent privately or live in community housing and receive a Centrelink benefit. Public housing (Department of Communities, Housing and Digital Economy) tenants and people not receiving a Centrelink benefit are not eligible for CRA.

Centrelink will determine the amount of CRA you are entitled to, based on the amount of rent you pay.

It is your responsibility to advise Centrelink of changes to your rent amount. Centrelink may ask you to provide a recent rent statement, a copy of your lease agreement or a letter confirming your current rent amount. You may also be asked to complete a rent certificate.

Further information about Commonwealth Rent Assistance is available on Centrelink's website at [www.humanservices.gov.au](http://www.humanservices.gov.au).

## What is market rent?

Market rent is the amount a property would be rented for in the private market. We review market rents annually, based on the property's amenities and location. Your rent assessment report will detail the market rent value for your property.

## What is a rent subsidy?

A rent subsidy is the difference between the calculated rent you are required to pay and the market rent for the property. Community housing tenants must be eligible to receive a rent subsidy and it can be removed if a tenant fails to comply with their tenancy obligations and the requirements of the housing program.

## What income is used to assess my rent?

Rent is calculated based on the assessable income of everyone living in your household. The below table shows the income included in rent assessments for different household members.

Household member	Income included in rent assessment
Tenant and their spouse	All assessable income assessed at 25%
	Affordable Housing Program – 30% of gross household income
All household members aged 25 and over	All assessable income assessed at 25%
	Affordable Housing Program – 30% of gross household income
All household members aged under 25	All assessable income assessed at 10%
	Affordable Housing Program – 30% of gross household income
All household members aged under 18 who are attending full time studies at any educational facility (e.g. school, traineeship, TAFE or university).	No casual earnings are assessed
	Affordable Housing Program – 30% of gross household income

## What is assessable income?

All income types are included in rent assessments for the Affordable Housing Program. All other housing programs, are calculated based on assessable income which, generally includes the household's primary income sources such as pensions and wages.

Specific purpose payments are usually considered non-assessable, except for Affordable Housing Program calculations. Some non-assessable payments include; Pension Supplement, Pharmaceutical Allowance, Carer's Allowance and most work allowances.

The Australian Government Pension Reform increase, introduced in 2009 for eligible single pensioners living in social housing, is non-assessable income and is excluded from all rent assessments.

An exhaustive list of assessable and non-assessable incomes is available on the Department of Communities, Housing and Digital Economy's website. Tenants are provided a report to demonstrate how your rent has been assessed and the income that has been used.

## What if my household circumstances change?

It is important to notify us immediately if there is a change in your circumstances which affects your household's income, in case your rent needs to be adjusted. If your income regularly changes because of casual work, we will average your earnings over a minimum four-week period.

Tenants who fail to notify us of a change to household income, may be committing rental fraud. In these situations, the rent subsidy can be removed and back charged to when the change occurred. To avoid any remedial action in relation to rental fraud, we encourage tenants to keep us informed of any changes to the household (e.g. new household members or a household member starts work).

Further information about reporting changes to your household is available in your **Tenant Handbook**.

## How often will my rent be reviewed?

We will review your rent and eligibility at least every 12 months and whenever there is a change in your household circumstances. We will notify you in writing when we start the review and you will be required to provide evidence to verify your income and eligibility.

Tenants who do not return the requested evidence, will have their rent subsidy removed and issued a notice to leave. This is because a determination will be made that the tenant is no longer eligible for housing assistance, due to failure to substantiate an ongoing eligibility and need for housing assistance.

If you have difficulties obtaining third party documentation, such as payslips, child support statements, or bank statements, talk to your housing officer for assistance.

## Why am I being asked to provide bank statements for the assessment?

Just as you were required to provide a bank statement when you initially applied for housing assistance, you are required to provide the same information to verify your ongoing eligibility.

A bank statement will show us regular deposits that identify a stream of income (e.g. wages, rental income from investment properties, investment funds, overseas pensions, child maintenance) as well as large one-off payments such as superannuation or compensation payments. It also provides evidence of your liquid assets (cash or money in the bank) to ensure you meet the eligibility criteria for social housing.

If an individual has sufficient funds to purchase their own accommodation, then they may no longer have a need for social housing assistance. Bank statements are one of the only ways you can provide evidence of your liquid assets.

We will request a recent bank statement with three consecutive months of transaction history for all bank accounts. We are not interested in how you spend your money, so you can black out the details of your withdrawals if you choose for privacy reasons. However, we do need to see the running account balance and deposit details.

## Why do I have to answer questions about disabilities or medical conditions?

It is important we ensure you are receiving the correct level of housing assistance and that the property you are living in meets your needs. You may have a medical condition or disability that requires ground floor access or modifications to your home. We also need to respond appropriately in an emergency such as an evacuation or natural disaster.

## Why do I have to return these documents when you should already have my details?

It is a legislated requirement for community housing providers to conduct regular rent subsidy and eligibility assessments for all tenants. Even if you have already consented to us obtaining your Centrelink income details, we still require you to answer the assessment questions and provide other evidence such as bank statements, in case you forget to inform us of other (non-Centrelink) income.

It is also an opportunity for us to gather the most up to date information to ensure you are receiving appropriate housing assistance and to update your contact details.

## Will a change to my rent affect my rental bond?

A rental bond is equivalent to four weeks rent and is held in trust by the Residential Tenancies Authority (RTA) during your tenancy. If your rent changes, resulting in a change to your bond, we will adjust the amount. This may result in you having to make a part bond payment, either in a lump sum or in instalments, to make up the difference. We may also request the RTA refund you any amount in excess of what is required.

## How often do I need to pay rent?

Your tenancy agreement details how often (e.g. weekly or fortnightly) you need to pay your rent. Making irregular payments on different days of the week or constantly changing from weekly to fortnightly is the most common reason tenants fall into rental arrears. It is important to maintain your rent payments on the same day each week or fortnight to avoid falling into arrears.

## How do I make rent payments?

We offer a range of options for making rent payments:

### Centrelink Deductions

- If you receive a Centrelink income, we can arrange a recurring deduction to be paid direct from Centrelink to your rent account (no fee charged for this service).

### Bank Deposit or Internet Banking

- You can pay your rent over the counter at any Westpac Bank or via internet banking using your tenant reference and our bank account details. It is important to ensure the bank is instructed to use a reference so we can promptly allocate your payment to your tenancy account.

### Direct Transfer or Payroll Deduction

- You can set up an automatic regular transfer from your bank, or with your payroll office, by completing a payment form with your bank or employer. Check with your bank or employer if they charge a fee for this service.

Please note that staff are not authorised to accept cash or personal cheques in person or at any of our office locations.

## Where can I get more information?

Go to the Department of Communities, Housing and Digital Economy's website to download the Community Housing Rent Policy and detailed information about assessable income.

Always ask your housing officer for assistance if you have any questions or concerns relating to your rent. You also have the right to query or appeal your rent assessment if you feel there is a discrepancy.