

## 1. Purpose

This policy sets out the guidelines for the setting of rent for Hume Housing’s social housing properties, including general and transitional housing, *Social Housing Subsidy Program (SHSP)*, *Home Purchase Assistance Scheme (HPA)*, and crisis accommodation, in a fair and transparent manner.

## 2. Scope

- i. This policy aligns to the vision of the organisation “creating vibrant, sustainable and cohesive communities through the delivery of outstanding homes and equitable services.”
- ii. This policy covers all social housing properties where there is a Residential Tenancy Agreement in place.
- iii. This policy also covers properties managed under the *Temporary Accommodation Program* (crisis accommodation) where there is an Occupancy Agreement in place.
- iv. This policy excludes affordable housing.

### 2.1. Strategic Alignment

Goal 1 – Customer Focused, Customer Driven

Goal 7 – Housing Growth, Service Growth

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### 3. References

3.1 This policy has been written with reference to the following:

- i. Residential Tenancies Act 2010
- ii. NSW Community Housing Rent Policy
- iii. Specific funding or management agreements for *Social Housing Subsidy Program (SHSP)* and *Home Purchase Assistance Scheme (HPA)*
- iv. Hume Housing Strategic Plan
- v. Hume Housing Values

3.2 The following are technical terms used within this policy that may require definition;

**Customer/tenant** is defined as the person or persons that signed the Residential Tenancy Agreement with Hume Housing.

**Household members** are all people living in the accommodation, regardless of age or relationship.

**Social Housing (General Social Housing)** is subsidised long term rental accommodation for people on very low and low incomes, who are eligible for public housing (does use a residential tenancy agreement and is subject to the NSW Community Housing Rent Policy).

**Transitional Housing** is short term accommodation (generally from three to eighteen months) for people exiting or transitioning from crisis accommodation (does use a residential tenancy agreement, and is subject to the NSW Community Housing Rent Policy).

**Crisis Accommodation** is short term accommodation (generally three months or less) for people who are homeless or people who are at risk of homelessness (does not involve a residential tenancy agreement and is not subject to the NSW Community Housing Rent Policy).

**Occupancy Agreements** are used in crisis accommodation, specifically the *Temporary Accommodation Program*. An Occupancy Agreement is the agreement under which a

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person resides in refuge or crisis accommodation and is exempted from the operation of the Residential Tenancies Act 2010 by virtue of Regulation 14 (is not subject to the NSW Community Housing Rent Policy).

**Market Rent** is the rent amount set by Hume Housing or owner/agent of a property and is the maximum rent a customer will pay for a Hume Housing property. The market rent is based on how much a property would be leased for in the private market.

**Maximum Rent** (formerly ceiling rent) is the maximum weekly rent amount Hume Housing will charge a customer. From 27 July 2015, maximum rent will equal market rent for all social housing customers.

**Assessable Income** is all monies received by the customer and all other household members for the calculation of rental subsidy. See *NSW Community Housing Rent Policy* for the current listing of assessable and non-assessable income.

**Statutory Income** are funds received, (or funds entitled to be received) by a person from Centrelink, Education and Youth Affairs, Department of Veteran Affairs, or any other authority by meeting the required eligibility criteria.

**Rent Subsidy or Rebate** is calculated as the difference between the assessed rent a household will pay, based on household income, and the market rent payable for the property.

**Commonwealth Rent Assistance** (CRA) is a non-taxable rent supplement paid through Centrelink to individuals and families who rent in the private rental market or in non-Government authority housing.

Multiple Consent and Authority can be provided by the customer and gives Hume Housing permission to:

- i. Electronically access Centrelink Income Statements
- ii. Advise Centrelink of new rent amounts for the purpose of adjusting the customers and their respective Household members' Commonwealth Rent Assistance
- iii. Update payments made to Hume through Centrepay.

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## 4. Policy

### 4.1. Market Rent

The market rent is shown on the Residential Tenancy Agreement signed by the customer.

#### 4.1.1. Establishing Market Rent

- i. Market rent is the maximum rent payable for each property.
- ii. Hume Housing establishes market rent for capital properties by using rent data relevant to the type and location of the property published quarterly in the Rent and Sales Report by the Department of Family and Community Services.
- iii. Market rent for leasehold properties is the amount set by the owner/agent of the property.

#### 4.1.2. Reviewing Market Rent

- i. Market rent reviews are conducted annually on all capital properties.
- ii. Market rent reviews for leasehold properties is the amount set by the owner/agent of the property.
- iii. For customers on periodic or continuous leases – the result of these market rent reviews is to be passed onto the customer in accordance with statutory notification periods.
- iv. Market rent reviews will be applied to Transitional Housing properties, where customers are in fixed term leases, when the property is vacant.

### 4.2. Maximum Rent, Formerly Ceiling Rent

Effective 27 July 2015, the maximum rent payable for social housing customers is 100% of market rent.

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## 4.3. Rent Subsidy Assessments

Customers can apply for a rent subsidy by completing a Rent Subsidy Application and providing current income details for every household member over 18 years of age.

Rent subsidies must comply with the current funding guidelines for each housing program and the NSW Community Housing Rent Policy. The percentage charged varies according to the housing program and the household composition. Rent subsidies are capped at the maximum/market rent for the property.

As a rent subsidy is based on the household income, customers must advise Hume Housing of any changes in their household income. See 4.5.1 Customer Initiated Reviews.

### 4.3.1. Social Housing Programs (excluding HPA, SHSP and TAP)

The following table shows the percentage of income payable by different members of a household:

**Table 1: Social Housing – Percentage of Income Payable as Rent by Household Members**

INCOME	RATE
The customer, their spouse or live-in partner, irrespective of age	<b>25%</b>
All other persons living in the household aged 21 years or over	<b>25%</b>
People living in the household aged 18-20 years inclusive who are not the customer, their spouse or live-in partner	<b>15%</b>
Family Tax Benefit Part A and B	<b>15%</b>
Other Household Members under 18 years who are not the tenant, their spouse or live-in partner	<b>Nil</b>
Commonwealth Rent Assistance	<b>100%</b>

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### **Commonwealth Rental Assistance is assessed and maximised at 100%.**

Hume Housing will calculate the amount of Commonwealth Rent Assistance (CRA) that the household is expected to receive based on the rent to be charged to the customer.

The final subsidised rent will include the household contribution, based on household income, plus the full amount (100%) of Commonwealth Rent Assistance.

If the calculation by Hume Housing varies from Centrelink's assessment, Hume Housing will ask the customer to provide documentation from Centrelink showing the actual amount received. Hume Housing will review the documents provided and the calculation and will advise the customer of the outcome of the review.

### **4.3.2. Home Purchase Assistance Scheme and Social Housing Subsidy Program**

The Home Purchase Assistance Scheme and the Social Housing Subsidy program have different assessment rates than those listed above. The assessment rates for these programs are shown at Appendix 2 and Appendix 3.

Other than different assessments rates, rent assessments and reviews for these programs are completed in accordance with this policy.

The Social Housing Subsidy Program will end on 31 December 2016. Eligible customers will transition to social housing and rents will be assessed in accordance with 4.3.1.

### **4.3.3. Temporary Accommodation Program (crisis accommodation)**

TAP customers are not subject to the NSW Community Housing Rent Policy.

Occupancy fees are calculated in place of rent and are fixed based on customer's Centrelink income and household compliment.

Refer to Appendix 1 for all information relating to the Temporary Accommodation Program.

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#### 4.3.4. Proof of Income

When applying for a rent subsidy, a customer must declare all assessable income and provide proof of the amount received for themselves, their spouse/live-in partner (even if they are under 18 years of age) and for other household members aged 18 years and over.

Proof of income must be original. A guide to acceptable proof of income is set out in Appendix 4.

#### 4.3.5. Income from Wages

Full time, part time, and casual employees are required to provide documentation showing gross earnings and deductions covering a period of 12 weeks. Overtime payments are included as part of the customer or household member’s income.

Income will usually be averaged over a 12 week period or, for new employment of less than 12 weeks, over the period since commencement of the employment.

If the customers or household member’s rent is calculated to be less than the rent based on the relevant statutory income, please refer to 4.3.9.

#### 4.3.6. Self-Employed

The assessable income of self-employed customers and household members is determined by taking the gross income less the business deductions allowable for community rent setting purposes. Refer to the NSW Community Housing Rent Policy for more information.

If the customers of household member’s rent is calculated to be less than the rent based on the relevant statutory income, please refer to 4.3.9.

#### 4.3.7. No Income

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

1. Have chosen not to apply for an income to which they are entitled

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2. Are not eligible to receive a statutory income because:
  - They have gone overseas
  - They receive a Newstart Allowance or Youth Allowance, have not sought work and have become ineligible for further payments for a specific period
  - They have received a 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
3. Have breached Centrelink requirements or are repaying a Centrelink debt
4. Are New Zealand citizens who are in Australia on a non-protected Special Category Visa

In these situations, please refer to 4.3.9.

#### 4.3.8. Student Visas and Sponsorship Visas

For household members on Student Visas and Sponsorship Visas who claim to have no income, or their rent is calculated to be less than the rent based on the relevant statutory income, please refer to 4.3.9.

#### 4.3.9. Reduced Statutory Income

Hume Housing will assess people who receive an income that is less than the Newstart Allowance (or other benefit to which they would otherwise be entitled), as though they receive the appropriate statutory benefit (including 100% CRA entitlement) for their age and household composition. This includes people on certain types of visa, people with no income, and people who receive wages or salaries, or who are self-employed (refer to 4.3.5 to 4.3.8).

#### 4.3.10. Visas and Newly Arrived Residents (household members)

Household members on temporary visas or recently arrived residents in Australia generally won't have immediate access to social security payments or concession cards. They usually have to wait the Newly Arrived Residents' Waiting Period of 104 before they can access most payments and benefits. This waiting period doesn't apply to family assistance payments.

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Household members in this situation, who are not in receipt of any other income (e.g. from employment), will be charged the minimum rent of \$20.00 per week. Refer to Department of Human Services for more information:

<https://www.humanservices.gov.au/individuals/enables/newly-arrived-residents-waiting-period>

The minimum rent will apply for a maximum of 24 months. Thereafter, the household member will be assessed in accordance with 4.3.9.

#### 4.3.11. Fluctuations in Income

Where a customer or household member’s income varies, and it is not considered feasible to consistently change the customer or household member’s rent assessment, it is possible to average the income over a 3 or 6 month period for the purposes of rent assessment.

#### 4.3.12. Special Conditions Under the Social Housing Management Transfer Program

Customers who transfer to Hume Housing under the Social Housing Management Transfer Program will not see any immediate changes to their income after rent, except that they will pay rent and Commonwealth Rent Assistance to Hume Housing following the transfer.

Customers on a subsidised rent will have their rent (net of CRA) honoured until their next review date. Three additional FACS policies must be honoured until the end of the pre-approved period for that individual tenancy. These are:

- \$5 rent abatement
- Start Work Bonus, Tenant Employment Incentive Scheme
- Absence from dwelling

Refer to Appendix 5 for more information.

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### 4.3.13. Applying a Vacant Bedroom Charge (VBC) – Social Housing Management Transfer Customers Only

This clause applies only to customers who transfer to Hume Housing under the Social Housing Management Transfer Program. This clause will be applied by Hume Housing if the VBC was in place at the point of transfer.

Customers are charged a VBC by FACS:

1. When a customer requests a transfer due to under-occupancy and refuses two reasonable offers of alternative social housing or,
2. When Hume Housing approaches a customer to move due to under-occupancy and they refuse outright to relocate or refuse two reasonable offers of alternative social housing.

Hume Housing will continue to charge the VBC until the end of the customer’s lease or until the customer moves to a smaller dwelling, which means they no longer have to pay this under the FACS policy.

Where this clause is applicable, Hume Housing will apply the FACS VBC to the tenancy by adjusting the customer’s rent subsidy. As a result, the subsidised rent the customer pays will increase by:

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

## 4.4 Informing New Customers about Rent Setting Policies

- i. Hume Housing will inform all new customers of the relevant rent setting policy at the time of offer of a property. Where relevant, this will include an explanation of the differences in rent calculation between the NSW Community Housing Rent Policy (social) and other programs including the Social Housing Subsidy Program.

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- ii. In addition, Hume Housing will provide information regarding rent setting policies and the rent review process to all customers at the time of sign up. Customers will also be advised at sign up of their obligation to inform Hume Housing within 21 days of any changes in their circumstances.

## 4.5 Rent Subsidy Reviews

Rent subsidy reviews can either be initiated by the customer or by Hume Housing.

### 4.5.1 Customer Initiated Review

Outside the regular rent subsidy reviews, social housing customers may choose to apply for Rent Subsidy Review by completing a [Rent Subsidy Application](#) and providing the current income details for every household member.

Customers who receive a rent subsidy must advise Hume Housing of any change in their income and/or household circumstance within 21 days of the effect of that change.

Hume Housing will complete a rent subsidy assessment within 10 working days of receiving the relevant documentation.

Where the rent is increasing as a result of a change in circumstances, Hume Housing allows 28 days from the date of change before applying the increase in rent.

Pending the assessment of the [Rental Subsidy Application](#), the new rent will come into effect as detailed on the next page

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RENT SUBSIDY APPLICATION OUTCOME	NEW RENT EFFECTIVE DATE
Increase in rent – Hume Housing advised within 21 days of effect of change	Rent change will take effect the next Monday after the rent subsidy assessment is completed or 28 days after the date of the increase in assessable income (whichever is later)
Increase in rent – Hume Housing not advised within 21 days of effect of change	Rent change will take effect 28 days after the date of the increase in assessable income and will be backdated
Decrease in rent – Hume Housing advised within 21 days of effect of change	Rent change will take effect from the date of the income change
Decrease in rent – Hume Housing not advised within 21 days of effect of change	Rent change will be backdated to a maximum of 28 days from the date of receipt of the completed <u>Rent Subsidy Application</u>

#### 4.5.2 Rent Review Initiated by Hume Housing

Rent reviews are completed twice yearly in accordance with the *NSW Community Housing Rent Policy*.

Customers will be notified in writing when Hume Housing is commencing a rent subsidy review.

Customers will be given 21 days to submit a completed Rental Subsidy Application and provide acceptable proof of income for all household members.

Pending the outcome of the reviews, the new rent will come into effect as detailed on the next page:

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RENT SUBSIDY APPLICATION OUTCOME	NEW RENT EFFECTIVE DATE
Increase in rent (less than 10% increase)	Rent change will take effect from the date advised in correspondence issued to customer. However, if the customer has failed to notify of a change in circumstance, the new rent effective date may be backdated – see below
Decrease in rent	Rent change will take effect from the date of the income change, backdated to a maximum of 28 days from the date of receipt of the completed <u>Rental Subsidy Application</u>
Late response to Hume initiated Rent Review regardless of increase or decrease	If Hume receives a completed Rental Subsidy Application (including supporting documents) after the rent review date – market rent will be charged from the rent review date until the date the documents are received

If a Rental Subsidy Application and acceptable proof of income is not received within 21 days, market rent will be charged with an effective date of the rent change date advised in the Notice of Rent Review communication. The market rent will be effective until the next Hume Housing initiated rent review or the customer requests a new rent assessment and submits a completed Rental Subsidy Application.

If the rent subsidy review reveals that a customer’s household income has increased by more than 10% and the customer has failed to notify Hume Housing within 21 days of that change, Hume Housing reserves the right to cancel the current rent subsidy and backdate the cancellation of the rent subsidy to the date of income change.

In cases where fraud is suspected, market rent will be charged pending proof of income.

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4.5.3 For customers in transitional housing programs and in fixed term leases who are managed by Housing Independence Officers (HIP) and Housing Coordinators (SH), rent subsidy reviews will be conducted at the 6 month anniversary of signing a new lease, every 6 months thereafter and when there is a change in circumstances.

## 4.6 Rent During Approved Absences

### 4.6.1 Approved Absences

Customers must continue to pay their current rent during any period of absence from the property.

A customer may apply for a reduction in rent for a maximum of twelve (12) weeks if they or another household member are:

- a. A sole occupant in a nursing home,
- b. Undertaking rehabilitation.
- c. In hospital for long term care,
- d. In respite care,
- e. In prison, or
- f. In a refuge or alternative accommodation due to escaping domestic violence or being at risk.

In exceptional circumstances, this may be extended to a maximum of 26 weeks. This application has to be supported by documented evidence from the relevant authority and must be approved by the relevant senior manager or the Chief Operating Officer.

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#### 4.6.2 Requirements for Rent Reduction

Customers and household members will only be eligible for a reduction in rent if there are additional costs to the household or a reduction of income for the household during the period of absence.

Customers must provide all evidence supporting any additional costs such as accommodation costs or reduction in income, including the commencement and end dates for the temporary absence.

The rent charged to the household member for the approved absence will be \$20.00. Where the customer is in prison and does not receive any income, the rent charged will be \$5.00.

If there are other household members in the property during the absence, their income will continue to be included in the rent calculation.

#### 4.6.3 Minimum Rent of \$20.00 Per Week

Where customers or their respective household members do not receive any income or reduced statutory income, and in cases of exceptional hardship, the customer can apply for a minimum rent, currently assessed at \$20.00 per week. This application has to be supported by documented evidence from the relevant authority and must be approved by the relevant senior manager or the Chief Operating Officer.

The minimum rent does not apply to customers/household members who are absent for other reasons such as holidays, caring for relatives overseas, or assisting with immigration matters in their home country.

### 4.7 Exceptional Circumstances and Cases of Hardship

Where a customer's household income has decreased and the customer does not inform Hume Housing of the change in circumstance due to hardship but is later able to provide documentary evidence to support the change, the effective date of decrease may be adjusted to the date in income occurred.

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Where a customer does not respond to a Hume initiated rent review due to exceptional circumstances and is placed on maximum rent but would otherwise have been entitled to a rent subsidy, the customer can provide documentary evidence to support the circumstance and ask for a review of the decision.

Such decisions must be approved by the relevant senior manager or the Chief Operating Officer.

## 4.8 Customer Notifications

In accordance with the *Residential Tenancy Act 2010*, the customer will be informed in writing at least 60 days prior to any market rent increase.

Customers are advised in writing when Hume Housing is commencing a rent subsidy review. Customers will be given 21 days to submit a completed Rental Subsidy Application and acceptable proof of income to support eligibility.

Customers will be notified in writing of any changes in their assessed rent and such notification will include a copy of the rent assessment. Where there is a rent increase, and particularly where the rent subsidy is cancelled, Hume Housing will ensure that any action taken does not conflict with the *Residential Tenancy Act 2010*.

## 5. Appeals Processes

### 5.1 Rent Subsidy Assessment Appeals to Hume Housing

If a customer does not agree with the rent subsidy assessment, an appeal for a review of the assessment through an audit can be made. This appeal includes the review in detail of the income information supplied by the customer and a detailed rent review by a separate assessment officer.

The appeal will be managed in accordance with Hume Housing's Appeals Policy.

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## 5.2 External Appeals

If not satisfied with the results of a rent subsidy appeal, the customer may lodge an appeal regarding eligibility for subsidised rent with the Housing Appeals Committee. Appeals regarding market rent can be lodged with NCAT.

## 6. Rent Payment Options and Rent Management

6.1. It is the customer’s responsibility and obligation to ensure that rent is paid in advance and in full. Rent can be paid using the following methods:

- a. by direct debit from the customer’s bank account;
- b. by authorising Centrepay to pay Hume Housing direct from the customer’s pension or benefit;
- c. by EFTPOS at the Hume Housing offices in Fairfield, Parramatta, or Claymore;
- d. by Money Order;
- e. by using a deposit book and making a payment at any NAB bank (this payment method incurs a charge of \$1.00 per transaction for the customers);
- f. by using Internet banking and making the payment directly; or
- g. BPAY

Customers can provide a Multiple Consent and Authority which gives Hume Housing permission to advise Centrepay of new rent amounts for payment through Centrepay, ensuring that rent amounts are kept current.

6.2. The customer is responsible for ensuring that rent is paid in advance in accordance with the Residential Tenancy Agreement or Occupancy Agreement.

If rent is not paid in advance, in accordance with the Residential Tenancy Agreement or Occupancy Agreement, then Hume Housing will commence the rent recovery process.

Hume Housing has further policies and procedures detailing customer account management.

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## 7. Policy Risk Management

It is Hume Housing’s intention to ensure that all processes are transparent and delivered in a fair and equitable manner. As part of the risk mitigation strategy in Hume Housing, the risk mitigations have been identified.

## 8. Audit Processes

Each employee that conducts a rental assessment will be appropriately trained having completed the most up to date training available on the current policy, process, and systems.

Quarterly quality control audits will be conducted by the Income Coordinators and report presented to Manager, Neighbourhood and Customer Service.

Internal annual audits will be conducted on a random sample of rent assessments by the Risk and Quality Assurance Manager and an audit report documenting findings and improvement opportunities presented to the Chief Operating Officer.

## 9. Peer and Legal Review

Significant updates to this policy require review by peers associations and/or legal advice to ensure this policy is in line with current legislation, housing guidelines, and best practice. This policy has been reviewed by both peers associations and legal bodies.

## 10. Responsibility

10.1 The Board is authorised to approve this Policy.

10.2 Managers are responsible to ensure that all employees comply with this Policy.

10.3 Employees are responsible to ensure that they comply with this Policy.

10.4 The Risk and Quality Assurance Manager is responsible for ensuring that this Policy is reviewed as per the Policy and Procedure Review Schedule.

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**Appendix 1: Setting Occupancy Fees for the Temporary Accommodation Program**

**Appendix 2: Determining Subsidised Rent in Home Purchase Assistance Scheme**

**Appendix 3: Specific Arrangements Under the Social Housing Subsidy Program (SHSP)**

**Appendix 4: Proof of Income**

**Appendix 5: Special Conditions for Social Housing Management Transfer Customers**

**Appendix 6: Team Responsibilities**

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## Appendix 1: Setting Occupancy Fees for the Temporary Accommodation Program

The Temporary Accommodation Program (TAP) is crisis accommodation and is managed in partnership with the Department of Family and Community Services.

Customers are placed on Occupancy Agreements. An Occupancy Agreement is the agreement under which a person resides in refuge or crisis accommodation and is exempted from the operation of the Residential Tenancies Act 2010 – Regulation 14.

TAP customers are not subject to the NSW Community Housing Rent Policy.

Occupancy fees are calculated in place of rent and are fixed based on customer's Centrelink income and household compliment.

Occupancy fees and the maximum charge are set by the Department of Family and Community Services and Hume Housing. The rates are reviewed regularly by FACS and Hume Housing. The rates below are effective 30 September 2013.

### Occupancy Fees Per Week Maximum Charge:

- Single Accommodation - \$435
- Family Accommodation - \$490

<b>SINGLE – NO CHILDREN</b>	
Youth Allowance	\$70
Newstart	\$90
Pension	\$125

<b>SINGLE – WITH CHILDREN*</b>	
<b>* plus \$30 for each child under 18</b>	
Newstart	\$95
Parenting Payment	\$120
Pension	\$125

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<b>COUPLE – WITH CHILDREN*</b> <b>* plus \$30 for each child under 18</b>	
Newstart	\$78
Parenting Payment	\$78
Pension	\$95

A couple will pay individually according to their income. For example:

- A couple each in receipt of Newstart will pay 2x\$78, plus \$30 for each child under 18
- A couple – 1 on Newstart, 1 on Parent Payment will pay 2x\$78, plus \$30 for each child under 18
- If 1 is in receipt of Newstart and the other DSP – they will pay \$78+\$95 plus \$30 for each child under 18

### Assessing Wages

25% of GROSS income is assessed. If the customer receives wages and Centrelink income, just assess as per Centrelink payments. For additional household or family members over 18, refer to the rates for “Single – No Children”.

### Reviewing Market Rent for Temporary Accommodation Program

Market rent is the maximum occupancy charge for TAP dwellings. This is reviewed annually by the TAP team. As TAP customers sign an Occupancy Agreement, the program is exempted from the operation of the Residential Tenancies Act 2010 – Regulation 14.

Market rent does not have implications on the customer in the property, and there is no requirement to serve statutory notices to customers residing in TAP dwellings.

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## Appendix 2: Determining Subsidised Rent in Home Purchase Assistance Scheme

Home Purchase Assistance Scheme is subject to specific rent setting guidelines.

The following table shows the percentage of income payable by different members of a household:

INCOME	RATE
The customer, their spouse or live-in partner, irrespective of age	<b>25%</b>
All other persons living in the household aged 25 years or over	<b>25%</b>
People living in the household aged 21-24 years inclusive who are not the customer, their spouse or live-in partner	<b>20%</b>
People living in the household aged 18-20 years inclusive who are not the customer, their spouse or live-in partner	<b>12.5%</b>
Family Tax Benefit Part A and B	<b>11%</b>
Other household members under 18 years who are not the tenant, their spouse or live-in partner	<b>Nil</b>
Commonwealth Rent Assistance	<b>25%</b>

**Commonwealth Rent Assistance is assessed and maximised at 25%.**

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### Appendix 3: Specific Arrangements Under the Social Housing Subsidy Program (SHSP)

SHSP is subject to specific guidelines which provides for rental subsidies for a range of incomes from very low to moderate. The income bands used to determine the proportion of tenant income paid in rent are indexed annually in line with the All Groups Consumer Price Index (CPI) for the previous financial year. Rent assessment rates are set at 25%, 27%, and 30% of gross annual household income.

The gross assessable income, as defined in the Community Housing Rent Policy (excluding Commonwealth Rent Assistance), of all household members aged 18 and over, is used when determining the income band.

The percentage of income payable as rent by household members on the Social Housing Subsidy Program is as follows:

INCOME	RATE
The customer, their spouse or live-in partner, irrespective of age	<b>25%, 27% or 30%</b>
All other persons living in the household aged 25 years or over	<b>25%, 27% or 30%</b>
People living in the household aged 18-20 years inclusive who are not the customer, their spouse or live-in partner	<b>15%</b>
Family Tax Benefit Part A and B	<b>15%</b>
Other household members under 18 years who are not the tenant, their spouse or live-in partner	<b>Nil</b>
Commonwealth Rent Assistance	<b>100%</b>

**Commonwealth Rent Assistance is assessed and maximised at 100%.**

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The income thresholds for the three rental assessment bands are:

ASSESSMENT BAND	INCOME ASSESSMENT RATE	INCOME RANGE
Very Low	25%	Less than \$23,315.00 pa
Low	25%	\$23,315.01 to \$40,587.00 pa
Moderate	20%	\$40,587.01 to \$55,004.00 pa

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## Appendix 4: Proof of Income

Each customer is responsible for collecting the income details of all household members and providing these details to Hume Housing so that their rent can be assessed. When applying for a rent subsidy, a customer must declare all assessable income and provide proof of the amount received for themselves, their spouse/live-in partner (even if they are under 18 years of age) and for other household members aged 18 years and over.

Proof of income must be original.

SOURCE OF INCOME	PROOF OF INCOME
<b>Centrelink</b>	<ul style="list-style-type: none"> <li>• Provided through the Income Confirmation Scheme for Centrelink pensions and allowances</li> <li>• An Income Statement from Centrelink</li> </ul>
<b>Veteran's Affairs</b>	<ul style="list-style-type: none"> <li>• An income Statement from the Department of Veterans' Affairs</li> </ul>
<b>Salary/Wages</b>	<ul style="list-style-type: none"> <li>• A payslip, letter of statement from the employer detailing gross wage, applicable tax deductions, pay period, and payee details for salary or wages for previous 12 weeks</li> </ul>
<b>Self-Employed</b>	<ul style="list-style-type: none"> <li>• A completed Australian Tax Office Return or a certified profit and loss statement completed by a registered accountant</li> </ul>
<b>Superannuation</b>	<ul style="list-style-type: none"> <li>• A letter from the Superannuation Fund confirming the amount received</li> </ul>
<b>Overseas Pension</b>	<ul style="list-style-type: none"> <li>• A statement from an Overseas Government detailing the amount received</li> </ul>
<b>Savings/Investments</b>	<ul style="list-style-type: none"> <li>• A letter from the investment institution providing details of interest/dividend received</li> </ul>
<b>Maintenance</b>	<ul style="list-style-type: none"> <li>• An itemised Centrelink Income Statement or letter from Child Support Agency</li> </ul>
<b>WorkCover</b>	<ul style="list-style-type: none"> <li>• A letter or statement from WorkCover or Insurance Company detailing the amount received</li> </ul>
<b>Other Income</b>	<ul style="list-style-type: none"> <li>• A letter from another organisation or income provider not listed above detailing the amount and type of income received</li> </ul>

The type of evidence provided must correspond to the type of income received. For example, if a customer receives a Centrelink payment, a Centrelink statement must be provided. Separate evidence must be provided for all types of income received.

Documents must not be more than one month old (unless requested) on the date they are submitted, except for Tax Returns (which must not be more than 13 months old).

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## Appendix 5: Special Conditions for Social Housing Management Transfer Customers

Transferring customers will retain 6 FACS pre-approved conditions outlined below until either the end of the customer’s lease and/or the end of the pre-approved period for that policy, whichever is applicable.

The below 2 policies are the FACS Housing policies to be honoured by Hume Housing until the end of the tenant’s lease:

FACS POLICY/PRACTICE	DESCRIPTION	CHP REQUIREMENT IN RELATION TO TRANSFERRED
1. Types and Length of Lease Policy	<ul style="list-style-type: none"> <li>The type and length of lease that reflects a client’s needs and circumstances</li> <li>Most new tenancy agreements will be for a period of 12 month probationary, two, five, or ten years</li> </ul>	<ul style="list-style-type: none"> <li>As per Government commitment, the tenants will not see any changes to their lease as they are transitioning to the CHPs on a concurrent lease</li> </ul>
2. Managing Under-occupancy and the Vacant Bedroom Charge (VBC)	<ul style="list-style-type: none"> <li>Tenants are charged a VBC by FACS if they have refused to relocate or have rejected 2 reasonable offers of alternative housing on under-occupancy grounds</li> </ul>	<ul style="list-style-type: none"> <li>The VBC should be charged by the CHP until the end of the lease or until the tenant moves to a smaller dwelling which means they no longer have to pay under the FACS policy</li> <li>CHPs are encouraged to introduce the VBC where they do not so now</li> </ul>

The following 4 policies are the FACS housing policies to be honoured by Hume Housing until the end of the pre-approved period for that policy:

FACS POLICY/PRACTICE	DESCRIPTION	CHP REQUIREMENT IN RELATION TO TRANSFERRED
3. \$5 Rent Abatement	<ul style="list-style-type: none"> <li>Tenants or household member’s payable rent is \$5, where tenants are in prison, nursing home, rehabilitation, respite care or a refuge after leaving domestic violence, due to their immigration status, no Centrelink or other income as spouse earns too much</li> </ul>	

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FACS POLICY/PRACTICE	DESCRIPTION	CHP REQUIREMENT IN RELATION TO TRANSFERRED
4. Start Work Bonus, Tenant Employment Incentive Scheme	<ul style="list-style-type: none"> <li>Offers tenants a grace period of up to 26 weeks within a financial year before adjusting their rent subsidy, in order to incentivise work participation</li> </ul>	<ul style="list-style-type: none"> <li>If a transfer tenant has been pre-approved by FACS for either one of Policy 3, 4, and 5, then the CHPs must temporarily accept the policy until the end of that individual tenancy</li> </ul>
5. Absence from Dwelling	<ul style="list-style-type: none"> <li>Tenants need to obtain approval from FACS to be away from their home for more than 6 weeks</li> <li>FACS may approve acceptable absences for up for six months (for example: hospitalisation, respite care/nursing home, rehabilitation, custody, caring for a sick relative). Subsequently, in some of these circumstances, if approved for this policy, the tenant will be eligible for the \$5 rent abatement as well</li> <li>The tenant may apply for an approval to extend the absence beyond six months where there are unusual circumstances</li> </ul>	<ul style="list-style-type: none"> <li>At the end of pre-approved period, the CHP may then apply their own policy/practice for further assessing the client's needs</li> </ul>
6. Tenancy Charges and Policy Supplement	<ul style="list-style-type: none"> <li>FACS uses various assessment rules to determine if a tenant is eligible for a rent subsidy by considering their household's income, size, and age</li> <li>In some cases, tenants do not pay the standard 25% and 30% of their household income towards rent (for example: the pensioner supplement is not currently assessed; Family Tax Benefit B is currently assessed at a lower level)</li> </ul>	<ul style="list-style-type: none"> <li>Tenants will not see changes to their income after rent and water, except that they will pay rent and Commonwealth Rent Assistance to their new CHP</li> <li>Commitments to tenants which are live at the point of transfer which relate to rent or water charges need to be preserved – tenants on a rebated rent need to have that honoured until its review date</li> <li>CHPs must adapt the FACS tenant rent and water charges until a new subsidy is assessed</li> <li>CHPs will not be able to vary these until the client's income changes and a new subsidy is assessed</li> </ul>

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## Appendix 6: Responsibilities

### Reviewing Market Rent and Subsidised Rent – Customers on Periodic or Continuous Leases

Market rent reviews are conducted annually on all capital properties and the results of these market rent reviews are passed onto the customer in accordance with statutory notification periods.

Market rent reviews for leasehold properties are conducted externally to Hume Housing (by the owner/agent of the property) and the results of these market rent reviews are passed onto the customer in accordance with statutory notification periods.

Rent subsidy reviews are conducted at least every six months for every customer.

### Income Team – Continuous Leases

Market rent reviews and rent subsidy reviews are carried out by the Income Team for the following programs where the customer is in a continuous lease:

#### Programs Reviewed by Income Team

PROGRAM	CONTROL GROUP	MARKET RENT AND RENT SUBSIDY REVIEW CONDUCTED BY
GSH Capital	300	Income Team
GSH Capital – Seniors Housing	304	Income Team
GSH Capital – HASI	306	Income Team/SCP
GSH Leasehold	100	Income Team
GSH Leasehold – HASI	104	Income Team/SCP
SH BlueCHP – CHLP	340	Income Team
SH BlueCHP - NBESP	338	Income Team
Hume Owned – Social Housing	318	Income Team
HPA Tenancy Program (FFS)	314	Income Team
AH Capital – SHSP	310	Income Team

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## Sustainable Communities and Partnerships – Fixed Term Leases

For social housing properties managed by the Sustainable Communities and Partnerships team where customers are in fixed term leases, the market rent will be reviewed by the relevant tenancy manager at each vacancy.

At each vacancy, the tenancy manager will establish market rent:

- For capital properties – by using rent data relevant to the type and location of the property published quarterly in the Rent and Sales Report by Housing NSW
- For leasehold properties – by using the actual rent charged by the owner/agent of the property

Rent subsidy reviewed will be conducted at least every six months in line with customer lease renewals.

## Programs Reviewed by Sustainable Communities and Partnerships

PROGRAM	CONTROL GROUP	MARKET RENT AND RENT SUBSIDY REVIEW CONDUCTED BY
TH Leasehold – Cabramatta Proj	106	SCP
TH Leasehold	108	SCP
TH Capital	308	SCP
TH Capital – Upfront Consortium	127	SCP
TH Capital – SWA Mental Health	320	SCP
GSH Capital – HASI	306	Income Team/SCP
GSH Leasehold – HASI	104	Income Team/SCP
HNSW – TAP	054	SCP
HNSW – HIP	110	SCP

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