

Rent Policy

Version No:	2	Date Approved:	8 January 2021
Next Review Date:	Currently under review – Feb 2024	Policy Owner:	CEO

Policy context: This policy relates to	
Standards or other external requirements	<ul style="list-style-type: none"> • NRSCH Regulatory Framework
Legislation or other requirements	<ul style="list-style-type: none"> • Residential Tenancies Act (NT) 1999 • Housing Act (NT) 1982 • Limitation Act (NT) 1981
Contractual obligations	<ul style="list-style-type: none"> • Contractual agreements with funding bodies • Residential Tenancy Agreements with tenants

Table of Contents

1.	Overview.....	3
2.	Scope.....	3
3.	Guiding principles	3
4.	Definitions.....	3
5.	Market Rent	3
5.1.	Properties that we own and/or manage	3
5.2.	Properties we rent from private landlord	4
6.	Calculating a tenant’s rent	4
6.1.	Social Housing	4
6.2.	Affordable Housing.....	4
6.3.	Town Camps	5
6.4.	Other programs.....	5
7.	Tenant Income and Rent Review.....	5
7.1.	Social Housing Rent review	5
7.2.	Affordable Housing Rent.....	6
7.3.	Rent reductions.....	6
8.	Proof of Income – What is included.....	7
9.	Payment Options	7
10.	Rent receipts and rent statements.....	8
11.	Appeals	8
12.	Internal references.....	Error! Bookmark not defined.
12.1.	Referenced policies	8

1. Overview

This policy explains:

- How we work out and review rent.
- Our tenants' responsibilities.
- How we will meet our legal duties.

2. Scope

This policy applies to all tenancies managed by CHCA with exception of Town Camp Housing.

3. Guiding principles

We will:

- Be fair and clearly explain how rent is worked out.
- Provide tenants with all information on how rent is worked out.
- Meet our legal duties when working out and reviewing rent.

4. Definitions

Market Rent	Market rent is based on how much it would cost to rent the property in the private market. Rent charged will not be higher than the market rent.
Tenant	The tenant is the person or people who signed the Residential Tenancy Agreement.
Household Member	Household members are other people we have approved or that are living at the property.
Social Housing Rent	Rent that is based on a percentage of a tenant's gross household income and Commonwealth Rent Assistance, and is less than the Market Rent and Affordable Housing Rent.
Affordable Housing Rent	Rent that is calculated at 74.9% of the Market Rent value.

5. Market Rent

When a tenant signs a Residential Tenancy Agreement it will show the Market Rent for the property. If the Market Rent changes, we will give tenants notice of the change as required by law.

5.1. Properties that we own and/or manage

The market rent may be calculated by one of the following ways:

- Based on a comparable or median market rent for that type and size of property in the area where the property is;
- Based on an independent valuation of the property; or
- Based on a CPI increase to mark rent values.

These market rents are reviewed annually and tenants are advised when this process happens. If there is no change to the market rent, then no notice will be sent to tenants and the market rent remains the same.

5.2. Properties we rent from private landlord

For properties we head lease from the private rental market, the market rent is the amount we pay for the property. We will change the market rent for these properties when the rent we pay for the property changes.

6. Calculating a tenant's rent

We manage housing across multiple different programs that include the following housing types – social housing, affordable housing and Town Camp housing. We calculate rent differently depending on the type of housing being offered.

6.1. Social Housing

Tenants living in our social housing programs are entitled to apply for a rent rebate to pay less than the Market Rent – This is called Social Housing Rent.

To pay Social Housing Rent, tenants in must meet the [income limits](#) set by the Department of Territory Families, Housing and Communities, which are updated annually. If a tenant does not meet these income limits, they will pay the Affordable Housing Rent – See item 6.2 below.

The table below shows how we calculate Social Housing Rent:

25% of income (before tax) for: <ul style="list-style-type: none">the tenant, their spouse or live-in partner (regardless of their age), ANDhousehold members 21 years of age and over
15% of income (before tax) for all other household members aged 18-20 years
15% of Family Tax Benefit A and B received by all household members
100% of Commonwealth Rent Assistance (CRA) that the household could receive

Not all types of income are included when we work out a rent subsidy. We only include the income types used by the Department of Territory Families, Housing and Communities which are published [here](#).

Commonwealth Rent Assistance (CRA)

When we calculate the Social Housing Rent we work out the amount of CRA that each household member should get based and include that amount when we work out the rent. It is the responsibility of each tenant and household member to advise Centrelink of this CRA amount to ensure they are receiving it.

If the tenant or household member don't get the full amount that we think they could receive, we will ask for a document from Centrelink which shows the amount of CRA that they are getting. Once we receive the document from Centrelink, we will review the rent amount and tell the tenant the outcome.

6.2. Affordable Housing

Tenants living in our affordable housing programs are entitled to pay less than the market rent – This is called Affordable Housing Rent.

Affordable Housing Rent is calculated at 74.9% of the market rent value and is not linked to a tenant's gross household income. However, to remain eligible for affordable housing, tenants must meet the income limits set under the National Rental

Affordability Scheme (NRAS) each year. For further information refer to our Housing Eligibility and Allocation Policy.

6.3. Town Camps

Tenant living in the Alice Springs Town Camps are charged rent in line with the policy set by the Department of Territory Families, Housing and Communities – See [here](#) for details.

6.4. Other programs

Some programs may have specific rent charging provisions depending on the housing type and program eligibility. For example, some tenants who are housing under the My Place Rental Subsidy Program may pay more than the Affordable Housing Rent as they transition into a direct lease with the head landlord. No tenant will be charged more than the market rent.

7. Tenant Income and Rent Review

We will review each tenant’s household income every 12 months to assess the rent charged and the tenant’s continued housing eligibility depending on the housing program.

To start this process, we will write to tenants and ask them to give us current proof of income for themselves, their spouse and every household member 18 years of age or over. We will give tenants 21 days or more to provide the information that we need.

The types of documents that we can accept as proof of income are listed in the Proof of Income section of this policy. Tenants and household members who receive income through Centrelink can give us permission to confirm their income instead of providing these details.

The new rent will start on the date written in our letter. If a tenant doesn’t give us their household income details by the due date, we may charge them full market rent.

7.1. Social Housing Rent review

Tenants must advise changes in income

Because we use the household income to work out Social Housing Rent, tenants must tell us within 21 days when their household income changes or the people in the household change.

When we are told about changes, we will ask for proof of income for the household and review the rent amount within 14 days of getting the new income details. After we review the rent, we will tell the tenant their new rent amount and the date that their new rent amount will start. The table below explains when the new rent will start.

Rent review outcome		New rent start date
Rent increases	The tenant told us about the change within 21 days	The billing day after rent review is completed.
	The tenant didn’t tell us about the change within 21 days	The new rent will start on the date that the income changed.
Rent decreases	The tenant told us about the change within 21 days	The new rent will start on the date that the income changed.

	The tenant didn't tell us about the change within 21 days	The billing day after rent review is completed.
--	---	---

The Operations Manager can make decisions about rent start dates outside of this policy.

Rental Fraud or Changes in Income

If a tenant has committed rental fraud or hasn't told us about changes to their household income, we might backdate the rent to the date the income changed. Decisions about backdating rent or referral to a relevant authority (e.g. Centrelink) in the case of rental fraud will be made by the CEO. Evidence of rental fraud may result in the termination of the tenant's tenancy.

No income or reduced income

If a tenant or household member can get income from Centrelink but chooses not to or doesn't get the full amount that they could get, we will include the amount that they are able to get plus 100% of the CRA when we work out their rent.

Where a tenant or household member cannot get a benefit, they must give us documents which show that they are not able to do so. If a person:

- has no income,
- is not able to get an income from Centrelink, and
- has gone through all possible appeal options with Centrelink,

we will charge \$5 a week rent for that person when we are working out the rent amount. If other people are living in the household, we will still use their income to work out the rent.

Self employed

If a tenant or household member is self-employed, we will ask them to give us their most recent tax return or a profit and loss statement from an accountant. If their income is less than the standard rate of Newstart Allowance, we will use the current rate for Newstart Allowance to work out their rent.

7.2. Affordable Housing Rent

Affordable housing rents will change when a change to the Market Rent occurs as detailed above. Tenant's will be given notice of this change.

For properties leased under the NRAS program, Tenant's will be required to provide income details each year of their income to remain eligible for the program. See our Tenant Eligibility and Allocations Policy for details. Tenants in NRAS program will not be charged more than 74.9% of the market rent.

7.3. Rent reductions

Housing is a limited resource and tenants and household members must pay their rent even if they are away from the property.

If tenants are going to be away from their property for long periods, we will ask them to voluntarily give up their tenancy.

In some situations, a tenant can ask us to reduce the rent that we charge them based on them being away. Any reduction in rent is to be approved by the CEO housing and will only be considered if the tenant or household member is going to be away from their property because they are going into:

- hospital for long term care,

- a nursing home,
- rehabilitation facility,
- respite care,
- a refuge or other accommodation because they are at risk or escaping domestic violence

The reduced rent can be approved for a period of up to 8 weeks. After this, we will look at the person’s situation and decide whether to cancel or extend the rent reduction.

8. Proof of Income – What is included

Tenants are responsible for giving us proof of income details for:

- the tenant’s spouse or live in partner, AND
- all household members who are 18 years or older.

Proof of income documents must be original and can include:

Type of income	Acceptable proof of income
Income from Centrelink or Veterans’ Affairs	Income statement from Centrelink or the Department of Veterans’ Affairs.
Wages/salary	Pay slips, a letter or statement from the employer showing the person’s gross wage, tax, deductions, pay period and details for the person. Documents must show the income for a minimum period of 4 weeks.
Self-employed	Profit and loss statement completed by an accountant or taxation return.
Income from an overseas government, WorkCover or an insurance company/agency	Letter or statement from an overseas government, WorkCover or an insurance company showing any money paid to them.
Income from investments	Letter or statement from a finance or investment company showing any amounts paid to them from investments.
Other	Letter from another company or agency not listed above that pays them money, showing the type and amount of money paid to them.

If a tenant/household member has given us permission to get their Centrelink income statement online and does not have any other source of income, they may not need to give it to us unless requested.

Proof of income must match the type of income that the person is getting. For example, if a person receives a Centrelink income, they must give us their Centrelink statement. The tenant and household members must give us proof of income for all types of income that they get. Proof of income cannot be more than one month old, except for tax returns for people who are self-employed which cannot be more than 13 months old.

9. Payment Options

Tenants can pay their rent by:

- Centrepay deductions

- Internet banking
- Bank deposits
- Money orders
- Cheques

We do not accept cash payments.

10. Rent receipts and rent statements

A tenant can ask us for a rent statement at any time. If a tenant asks us for a rent statement, we will give them the statement within 7 days.

11. Appeals

Tenants can appeal our decisions about their rent. Our Appeals policy has more information on appeals.

12. Referenced policies / documents

- End of Tenancy
- Financial Hardship
- Appeals and Complaints
- Rent