 <small>A work of the Daughters of Charity of St Vincent de Paul</small>	Document Name:	Rent and Other Charges Policy	DOC ID:	
	Owner:	Business Manager	Revision:	1
	Approver:	Chief Executive Officer	Issue Date:	01/07/2021
			Page:	1 of 10

1. Purpose

The purpose of this policy is to:

- provide guidance on setting, management and review of rents for tenants of Seton Villa
- ensure Seton Villa sets rents in line with the NSW Government's Community Housing Rent Policy
- establish and communicate Seton Villa strategy for applying other tenant charges including water usage, tenant damage recovery for tenancies under Seton Villa's management.

2. Scope

This policy applies to all tenants who live in a property that is owned or managed by Seton Villa.

3. Policy Statement

- Seton Villa aims to ensure rent setting, management and review processes are clear and consistent to all tenants.
- Seton Villa aims to ensure process relating in relation to tenant charges, including water usage and tenant damage recovery are clear and consistent to all tenants.
- Evidence of household income must be obtained from all household members over the age of 18 years.
- Seton Villa have an appropriate process in place to manage appeals from residents and tenants in relation to fee and rent determination.

4. Market Rent


The market rent is the rent shown in the Residential Tenancy Agreement. For capital properties, market rent is calculated as the median rent for a property of the same type and bedroom size in the Local Government Area. The Median rent is determined by Housing NSW's Rent and Sales Report. Seton Villa updates market rents on capital properties annually.

For leasehold properties market rent is the actual rent payable for properties leased from the private rental market. Market rents for leasehold properties are reviewed and updated when the actual rent for the property changes. If there is a change in the market rent for a property, tenants are given notice in writing as per the Residential Tenancies Act 2010.

5. Rental Subsidy

If a household has a low or moderate income, the tenant can apply for a rental subsidy. If a rent subsidy is granted, this will effectively subsidise the market rent payable. This means that the amount of rent paid by tenants is based on a percentage of their income and assets.

When assessing eligibility for a rental subsidy, Seton Villa will ensure that:

 <small>A work of the Daughters of Charity of St Vincent de Paul</small>	Document Name:	Rent and Other Charges Policy	DOC ID:	
	Owner:	Business Manager	Revision:	1
	Approver:	Chief Executive Officer	Issue Date:	01/07/2021
			Page:	2 of 10

- Each assessment of rent subsidy and the application of market rent are fair, consistent and transparent.
- The complex needs and vulnerability of our tenants will be taken into account and we will be proactive and empathetic in our approach to communicating in these circumstances.
- Seton Villa staff are properly trained and resourced to implement this policy.

6. Rent Charging

Through our Rent Policy, Seton Villa aims to ensure a clear and consistent rent setting approach for all tenants. As a starting point, Seton Villa charges market rent for its properties. The market rent for capital properties is based on the NSW Rent and Sales Report prepared by NSW Department of Family & Community Services - Housing NSW.

For leasehold properties the market rent is based on the actual market rent charged to Seton Villa by the private owner. People on very low to moderate incomes are households can apply for a rental subsidy to meet the cost of market rent. This subsidy varies according to the type of program and the income level of the tenant.

Seton Villa has the authority to grant a rent subsidy under the provisions of the DEPARTMENT OF COMMUNITIES AND JUSTICE (DCJ) Community Housing Rent Policy 2014 and the NSW Residential Tenancies Act (RTA) 2010. For Seton Villa to determine if a tenant is eligible for a rental subsidy, the tenant and household members must provide details of their income and assets to Seton Villa. Usually this will occur when Seton Villa undertaken its rent reviews every six months in March and September to coincide with changes in Centrelink payments.


Seton Villa will calculate the amount of rent to be charged to the tenant on the assessable income of the household. This includes the tenant and all residents. The *DEPARTMENT OF COMMUNITIES AND JUSTICE (DCJ) Community Housing Rent Policy* specifies what is included in assessable income. In summary assessable income includes:

- Income from statutory payments
- Wages or casual earnings
- Self employment
- Any assessable supplement payment
- Any household member not eligible for a payment or who is eligible for a statutory payment will be charged rent based on the statutory allowance amount.

In a simple form, rents are calculated as follows:

Market Rent Payable by Tenant = (% of household income) + 100% of Commonwealth Rent Assistance

Table 1 below shows the percentage of income payable by different members of a household in a **social housing property**. There are different rates based on the ages of the tenants and the payment they receive from Centrelink.

 <small>A work of the Daughters of Charity of St Vincent de Paul</small>	Document Name:	Rent and Other Charges Policy	DOC ID:	
	Owner:	Business Manager	Revision:	1
	Approver:	Chief Executive Officer	Issue Date:	01/07/2021
			Page:	3 of 10

Tenants in **affordable housing programs** may pay up to 30% of their household income or up to 74.99% of the market rent.

Rate	Position
25%	The tenant, and their spouse or live-in partner, irrespective of their gender or age. All other persons living in the household who are aged 21 years or over.
15%	People living in the household aged 18 to 20 years inclusive who are not the tenant, their spouse or live-in partner.
15%	Family Tax Benefit Part A & B
NIL	Persons living in the household aged under 18 years who are not the tenant, their spouse or live in partner are not assessed for rent-setting purposes.

7. Income from wages and casual earnings

Tenants and household members, who receive a wage or casual earnings, must provide pay slips showing their current gross income per week.

If the tenant or household member work fixed hours per week, 4 weeks of pay slips must be provided. If the tenant or household member work casual hours (changes per week) and/or works overtime, 12 weeks of pay slips must be provided.


If pay slips are not available, Seton Villa Housing Limited can accept either a signed letter from the employer on headed paper, or a completed Seton Villa Housing Income from Employment form. The 'Income from Employer' form must be completed by the employer and officially business stamped.

8. Self-Employed Tenants

Self-employed tenants will have to provide their income details to Seton Villa Housing to verify their eligibility for subsidised rent. Their income details must be provided in accordance with the DEPARTMENT OF COMMUNITIES AND JUSTICE (DCJ Community Housing Rent Policy. This states that we can not accept a 'Notice of Tax Assessment' as details of a self employed income.

One of the following types of information must be received by all self employed tenants:

- Full version of a completed lodged Australian Tax Return from the Australian Tax Office website. This must include all pages of the tax return, which includes the individual's income, expenses and interested earned for the financial year, or
- a profit and loss statement from a chartered accountant, and
- Last three months Bank statements showing transaction details from all investment organisation/banks for all accounts held for all business and personal accounts, including any savings and shares.

 <small>A work of the Daughters of Charity of St Vincent de Paul</small>	Document Name:	Rent and Other Charges Policy	DOC ID:	
	Owner:	Business Manager	Revision:	1
	Approver:	Chief Executive Officer	Issue Date:	01/07/2021
			Page:	4 of 10

Self employed income will always be calculated on the income earned from the previous financial year. During the rent review held in September, all self employed tenants must provide their income details for the last financial year to be used to calculate future subsidised rent. For rent reviews held in March, we will use the calculated subsidised rent from the rent review held in September, unless the tenant advises Seton Villa of a sufficient change in income. If a self-employed tenant's income changes significantly from the previous financial year, Seton Villa Housing Limited can make the decision to apply a retrospective adjustment from the 1 July of that year, to amend the tenant's subsidised rent.

9. No statutory income or reduced statutory income

As indicated in the *DEPARTMENT OF COMMUNITIES AND JUSTICE (DCJ Community Housing Rent Policy)* the following applies:


The rent subsidy application will be assessed based on the statutory allowance the tenant or other adult household members would normally receive when:

- the tenant or adult household member has chosen not to apply for a statutory income to which they are entitled
- the tenant or adult household member is not eligible to receive a statutory income
- the tenant or adult household member is receiving a reduced statutory income and has no income from any other sources
- Where a tenant or household member is not eligible to receive statutory income based on the partner's income, Seton Villa Housing will apply a rent charge amount that is deemed acceptable for the household.

10. Proof of income

Tenants must provide proof of Income. Proof of income must be original and can be:

- Provided through the Income Confirmation Scheme for all Centrelink income support type payments. Tenants and household members can give their Authority for Seton Villa to access their income details in line with the Centrelink eService Terms and Conditions and Policy by completing the *Tenancy – Income Confirmation Scheme Consent Authority Form* on the Seton Villa website.
- Provide a current income statement by the Department of Veteran's Affairs. Tenants must contact the Department of Veteran's Affairs to request a updated income statement and send direct to Seton Villa.
- Payslips, letter or statement from the employer detailing gross wage, applicable tax, deductions, pay period and payee details for salary or wages.
- Profit and loss statement completed by an accountant or a lodged taxation return with at least three month business and personal bank statements for self employed tenants and household members
- Letter or statement from Overseas Government detailing the amount received for Foreign pensions, if not recorded through Centrelink.
- Letter or statement from WorkCover or Insurance Company detailing the gross amount received.

 <small>A work of the Daughters of Charity of St Vincent de Paul</small>	Document Name:	Rent and Other Charges Policy	DOC ID:	
	Owner:	Business Manager	Revision:	1
	Approver:	Chief Executive Officer	Issue Date:	01/07/2021
			Page:	5 of 10

- Bank statements showing transaction details from all investment organisation/banks for all accounts held for the period specified for each household member aged 18 and over.

Documents must not be more than one month old on the date they are submitted, and Centrelink income statements must be current showing the change in payments in line with the increase in CPI rates. An exception is given for Tax Returns which must not be more than 13 months old.

11. Rent Subsidy Reviews and Rent Changes

Seton Villa will undertake a general income and rent review for all tenants in July and January of each year, in line with changes in the Consumer Price Index.

For tenants in Fee for Service or Affordable Housing Programs a general income and rent review will be undertaken according to the management contract with the property owner.

During a rent review, Seton Villa requires the following details for each tenant and household members:

- Application for Rent Subsidy
- Income Details for the tenant and any household member aged 18 and over (including details of assets where relevant).

These forms will be included in the Rent Review Notification Letter, which is sent 60 days before the rent increase date, as well as an additional 4 days for expected post to be delivered. This also constitutes as 60 days notice of a market rent increase.

Tenants agree to supply their income details to Seton Villa when commencing their tenancy, under Section 187 of the NSW Residential Tenancies Act 2010.

Tenants who fail to supply a completed *Application for Rental Subsidy* form and verification of the household income by the due date will no longer be eligible for a rental subsidy and will be required to pay market rent from the specified due date and may be subject to New South Wales Civil Administrative Tribunal (NCAT) action.


12. Failure to Respond

If a tenant fails to provide all details to allow assessment of household income to take place by the relevant due date, the following will take place:

The rent will be increased to the market rent value on the increase date of change for the rent review process, which is in effect 60 days after the first notification letter was sent notifying the tenant of the increase of market rent.

Within the 14 day period to the date of change, an appointment will be made for the tenant to come to Seton Villa office to meet with their Housing Manager or the Income Coordinator, and provide the relevant documentation to support their application for rental subsidy. Therefore, Seton Villa are providing a further warning to tenants that Market Rent may be applied.

- At the time of the appointment, the tenant must provide the outstanding information required to allow assessment. Additionally, the tenant must provide reasons for not providing the documentation within the original 60 days notice period given.

 <small>A work of the Daughters of Charity of St Vincent de Paul</small>	Document Name:	Rent and Other Charges Policy	DOC ID:	
	Owner:	Business Manager	Revision:	1
	Approver:	Chief Executive Officer	Issue Date:	01/07/2021
			Page:	6 of 10

- Failure to attend the appointment (or to attend an appointment arranged at another time) within the 14 day period, will result in market rent being applied on the increase date of change for the rent review process.
- Market rent will continue to be charged until or unless all the required information is provided and results in the tenant being eligible for a rental subsidy.
- If the tenant is in fact eligible for a rental subsidy, the rent subsidy will be reviewed based on the circumstances surrounding the reasons why the information was not returned by the due date, and may be backed from the date market rent was applied. This will be in accordance with Seton Villa's Compliments, Complaints and Appeals Policy.

13. Notification to Tenants

- Tenants will be notified in writing of any changes in their assessed rent and such notification will include a copy of the rental assessment.
- Where the assessed rent results in an increase of rent payable by the tenant, Seton Villa Limited will ensure that any action taken to increase the tenants' rent does not conflict with the relevant provisions of the NSW Residential Tenancies Act 2010.

14. Vulnerable Tenants

If a tenant is identified as vulnerable and receives no ongoing support, Seton Villa will review their situation and consider this individually. If the tenant is identified as vulnerable and it is considered that the tenant may have difficulty or have a history of not providing the relevant documentation for the Rent Review process within the time period, then the CEO, may decide to calculate their rent subsidy without all the necessary information received until other arrangements to obtain the information are made (including where Seton Villa obtains permission to gather this evidence on behalf of the tenant). This includes the application for rental subsidy and the household income details. To calculate the rental subsidy without the household income details, Seton Villa staff will have to consider if we can confirm the type of income received based on previous calculations.


15. Fluctuations in income


Where a tenant's income varies, and Seton Villa identifies a consistent change in the tenant's rent assessment, it is possible to average the tenant's income over a 3 or 6 month period for the purposes of rent assessment or if the tenant requires we can complete quarterly rent reviews.

16. Change in Household Income

Tenants must inform Seton Villa within 21 days if there is a change in the household income. Within these 21 days, tenants must have also provided all the relevant income details required to calculate the change in the subsidised rent, if any. Failure to advise Seton Villa Housing of changes in the household income or complement may result in formal tenancy action.

Where a failure to advise Seton Villa of changes to the household income or household complement of the tenancy is considered repeated or deliberate, Seton Villa Housing may take formal action to terminate the tenancy.

 <small>A work of the Daughters of Charity of St Vincent de Paul</small>	Document Name:	Rent and Other Charges Policy	DOC ID:	
	Owner:	Business Manager	Revision:	1
	Approver:	Chief Executive Officer	Issue Date:	01/07/2021
			Page:	7 of 10

 <small>A work of the Daughters of Charity of St Vincent de Paul</small>	Document Name:	Rent and Other Charges Policy	DOC ID:	
	Owner:	Business Manager	Revision:	1
	Approver:	Chief Executive Officer	Issue Date:	01/07/2021
			Page:	8 of 10

When a tenant informs Seton Villa Housing of a change in their circumstances, the housing manager will send a written letter to acknowledge the request for a re-calculation based on their change, and request any relevant documentation that may be required to complete the review.

Seton Villa Housing will ensure that tenants are informed at sign up, and during each rent review period, that they must notify Seton Villa Housing of any changes to their household income and complement (the number of people in their household), as a condition of their tenancy obligations.

Each tenant has the responsibility of providing the income details and bank statements for all accounts for all household members to Seton Villa Housing. This responsibility applies to all rent changes, during or outside a rent review period.

When applying for a rent subsidy a tenant must declare all assessable income, (including details of financial assets) and provide proof of the amount received by their spouse/partner and each other member of their household aged 18 years and over.


All documentation concerning rental assessment and rent reviews will be retained on the tenant's file.

17. Rent during approved absences

A tenant must notify Seton Villa if they are away from the property for more than two weeks in writing. Absences from a property are reviewed on a case by case basis. Seton Villa will generally allow up to 3 months absence. Tenants will be expected to provide an agent while the tenant is away and meet all rental charges during this time.

A tenant may apply for a reduction in rent for up to twelve weeks under certain circumstances. The following principles must be applied when determining a reduction in rent based on the above circumstances.

- Tenants or household members will only be eligible for a reduction in rent if they are required to pay fees for their absence, such as essential accommodation expenses (e.g. nursing home or respite care), or where they are not entitled to receive an income during their absence (e.g. incarceration).
- Evidence must be provided to confirm the commencement and end date of the absence period, as well as documentation confirming the expenses incurred for the alternative accommodation or that the person is not eligible for an income during that period.
- If there are household members in the property during the absence, their income will continued to be included in the rent calculation.
- Holidays, including visits within Australia or overseas for any purpose (other than those stated above) do not constitute eligibility for rent reduction.

 <small>A work of the Daughters of Charity of St Vincent de Paul</small>	Document Name:	Rent and Other Charges Policy	DOC ID:	
	Owner:	Business Manager	Revision:	1
	Approver:	Chief Executive Officer	Issue Date:	01/07/2021
			Page:	9 of 10

18. Appeals

If a tenant is not satisfied with a service provided by Seton Villa or does not agree with a decision it has made in relation to the calculation, backdating or cancellation of a rental subsidy, they can ask for a formal review. Seton Villa's *Appeals Policy* outlines how we will undertake a review of our decision. A copy of our policy and information leaflet, is available from Seton Villa's office.

An appeal regarding rental subsidy will be considered by Seton Villa within the rent review period, and up until the following rent review. Appeals relating to application of market rent may be appealed at any time up until the next rent review.

If a tenant is unhappy with the outcome of an appeal to Seton Villa, they can lodge a second level appeal with the Housing Appeals Committee. The Housing Appeals Committee is an independent agency that reviews certain decisions made by staff of Community Housing organisations and Housing NSW. For information on the Housing Appeals Committee call 1800 629 794 or go to www.hac.nsw.gov.au.

19. Other Tenant Charges

Seton Villa will calculate water charges based on the following methods:


Properties with Separate Water Meters

Seton Villa will charge tenants who live in properties with separate water meters the actual water usage cost, as per the invoice received from the Water Authority. In accordance with the Ministerial Guidelines, a separate water meter must be readily accessible for reading by the Water Authority and generate an individual water account. If a water meter is not accessible for reading by the Water Authority and does not generate an individual water account, Seton Villa will charge the tenants as if it is a shared meter dwelling. Water charges will be added to the tenant's account each water billing cycle - approximately quarterly.

Properties with Shared Water Meters

Seton Villa will charge a percentage of the tenants rent for water usage in properties with shared water meters where Seton Villa pays a water usage account. The percentage will be publicly available and will be reviewed annually. Water usage for social housing properties with shared meters will be capped at a maximum charge per household per week. Water charges for affordable housing properties will not be capped. As it is impossible to determine an individual usage charge for shared metres, the water charge is considered the tenants' contribution towards water usage costs only and is not intended to reflect their individual water usage. Water charges will be added to the tenants' account each week.

On a quarterly basis, Seton Villa will ensure that the charges for all of the tenants combined do not exceed the total water bill received from the Water Authority for that period. If the total amount paid by all tenants exceeds the total bill from the Water Authority for that period, Seton Villa will reimburse tenants the amount that was overpaid.

 <small>A work of the Daughters of Charity of St Vincent de Paul</small>	Document Name:	Rent and Other Charges Policy	DOC ID:	
	Owner:	Business Manager	Revision:	1
	Approver:	Chief Executive Officer	Issue Date:	01/07/2021
			Page:	10 of 10

Common Area Water Usage

Seton Villa will pay the water usage for all common areas. In properties with a shared water meter, Seton Villa will ensure that a portion of the water bill is allocated against the common area usage.

Tenant damage recovery charges are managed by the following principles:

- Tenants are responsible for the cost of repairing property damage caused accidents, negligence or malicious acts by residents, their household or their visitors.
- Seton Villa will levy tenants damaged recover charges based on actual cost incurred to repair such damage

Other fee/ recovery charges are managed by the following principles:

Seton Villa may its discretion incur cost on behalf of the tenant and seek reimbursement.

As an example, if a tenant requests Seton Villa approved locksmith to provide entry their home/ room after hours

Related Documents

- Residential Tenancies Act 2010
- Ministerial Guidelines for Community Housing Water Charging
- Housing Act 2001
- Community Housing Providers (Adoption of National Law) Act 2012
- NSW Residential Tenancies Act and Regulation 2010
- NSW Civil and Administrative Tribunal (NCAT) Act and Regulation 2013 and Rules 2014
- NSW Community Housing Access Policy
- NSW Community Housing Eligibility Policy
- NSW Community Housing Rent Policy

Approved By:

CEO

Date Reviewed: 01/07/2022

NDIS Practice Standards:

2 – Provider Governance and Operational Management

Community Housing National Regulatory Code:

1 – Performance outcome – Tenancy and Housing Services

Date Approved

Tuesday, June 2, 2020

Date Amended: 01/07/2022