

# Rent Policy (Social Housing NSW)

## 1. Purpose

The purpose of this policy is to outline how HOME in PLACE (Australia) Limited calculates rent and manages the bi-annual rent review process for tenancies in New South Wales (NSW).

## 2. Scope

This policy applies to all tenants who live in a property that is owned or managed by HOME in PLACE in NSW, targeted as 'social housing' for the purpose of setting rent and must comply with the NSW Department of Communities and Justice (DCJ) [NSW Community Housing Rent Policy](#) in accordance with DCJ Community Housing Assistance Agreements, property leases and applicable common terms and conditions.

Where there is inconsistency between HOME in PLACE Rent Policy (Social Housing NSW) and the DCJ Policy the [NSW Community Housing Rent Policy](#) will be followed in all circumstances.

## 3. Policy Statement

HOME in PLACE's Rent Policy (Social Housing NSW) aims to ensure a clear and consistent approach to rent setting for all tenants to who this policy applies (refer Section 7 below).

HOME in PLACE will explain how rent is worked out and meet our legal duties when calculating and reviewing rent.

HOME in PLACE calculates how much a tenant should pay in rent considering the market rent for the property and any subsidy entitlement to assist tenants to meet the costs of their rent including Commonwealth Rent Assistance (CRA).

Details regarding assessable and non-assessable income can be found in the [Assessable and Non-Assessable Income and Assets Tables](#) published on the Department of Communities & Justice website.

### *Commonwealth Rent Assistance*

[Commonwealth Rent Assistance \(CRA\)](#) is a payment from Centrelink for people who receive more than the base rate of Family Tax Benefit and who pay rent above a rent threshold limit set by the Commonwealth government. If a person is eligible for CRA this means that the amount of rent paid is based on a percentage of household income and 100% of the household CRA entitlement.

Title	Rent Policy (Social Housing NSW)	POL-025-027	Version	V18	Last Review	01/04/2025	Page 1 of 11
-------	----------------------------------	-------------	---------	-----	-------------	------------	--------------

HOME in PLACE will calculate the amount of CRA that each household member is eligible for based on information about their income and how much rent they pay and include that amount when the rent is calculated.

## 4. Calculating Rent

HOME in PLACE will calculate the rent payable by the tenant based on the assessable income of the household & the household CRA entitlement.

The [NSW Community Housing Rent Policy](#) sets out what is included in assessable income, this includes:

- Income from statutory payment (pensions/benefits/allowances)
- Any assessable supplement payment
- Wages or casual earnings
- Self-employment
- Any household member not eligible for a payment OR is eligible for a statutory payment but chooses not to apply for same, will be charged rent based on the statutory allowance amount.

### Example of rent calculation

**Tenant/subsidised rent payable by a tenant = (percentage of household income and assets) + 100% Commonwealth Rent Assistance (CRA)**

### Household member types and weekly income allowances

HOME in PLACE will apply a range of income thresholds that determine whether the tenant is eligible for a rental subsidy and the percentage of income the tenant pays as rent.

Household income thresholds are set by DCJ and updated annually. Information about income eligibility and income thresholds can be found in the [Tenancy Charges and Account Management Policy Supplement](#) on the DCJ website.

To determine which household income threshold applies to households, the HOME in PLACE will apply the following process:

- Step 1:** Add up the assessable income for each adult in the household. Do not include any CRA amounts
- Step 2:** Add up the number of adults in the household
- Step 3:** Add up the number of children in the household
- Step 4:** For the whole household, add up the weekly income allowance from Table 1 in the *DCJ Tenancy Charges and Account Management Supplement*
- Step 5:** Compare the amount at Step 4 with the assessable household income at Step 1. This comparison will provide the applicable rent subsidy income limit.

## Rent Assessment Rules

The percentage of assessable income payable by different household members varies. The table below shows the percentage of income payable in social housing rent

Condition	Rule
Maximum rent payable	Market Rent for the property
Gross assessable income is <b>less</b> than the moderate-income limit	Rent payable is calculated at 25% of income
Gross assessable income is: <ul style="list-style-type: none"> <li>- <math>\geq</math> the moderate-income limit, and</li> <li>- <math>&lt;</math> the 30% limit</li> </ul>	Rent payable is calculated between 25% and 30% of income, depending on how far the household limit is above the moderate income (sliding scale)
Gross assessable income is: <ul style="list-style-type: none"> <li>- <math>\geq</math> the 30% limit, and</li> <li>- Less than the subsidy eligibility limit</li> </ul>	Rent payable is calculated at 30% of income
Gross assessable income is $\geq$ the subsidy eligibility limit	Rent payable is market rent for the property
Application of Vacant Bedroom Charge	The subsidised rent payable will increase by: <ul style="list-style-type: none"> <li>- \$20 a week per household if there is one person aged 16 years and over</li> <li>- \$30 a week per household for two or more people aged 16 years and over</li> </ul>
Minimum age of a household member to include their income as part of the gross assessable household income	18 years  <i>Exception: where the tenant and/or their partner is under the age of 18, they will be treated as adults for the purposes of rent assessment</i>
Concessional Rates	The income of some household members will be assessed at a reduced percentage of 15% (concessional rate): <ul style="list-style-type: none"> <li>- Family Tac Benefits Part A &amp; Part B (Energy supplements are excluded from this concession)</li> <li>- Household members, other than the tenant or their partner, aged 18-20</li> </ul>
No Charge	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

## Income from wages and casual earnings

Tenants and household members who receive wage or casual earnings must provide pay slips showing their current gross income per week. If a tenant or household member is also in receipt of a payment from Centrelink, they must provide Centrelink income statements for the same period as the payslips as all income will need to be used for the rent calculation.

If the tenant or household member work fixed hours per week, 4 weeks of pay slips must be provided. If a tenant or household member work casual hours and/or works overtime 12 weeks of pay slips must be provided. All pay slips must be current for the period.

If pay slips are not available HOME in PLACE can accept a signed letter from the employer, on the company's/organisation letterhead, providing clear details of the employee's gross weekly salary/earnings. If a tenant or household member has given Centrelink consent to Option One (ICS Consent) and reported earnings are shown on their income statement, HOME in PLACE will use the income statements for the relevant period to calculate an average of the total income.

### *Self-Employed tenants*

Tenants and household members must provide their income details to HOME in PLACE to verify their eligibility for subsidised rent. The income details must be provided in accordance with the [NSW Community Housing Rent Policy](#).

One of the following types of information must be provided:

- Full version of a completed lodged Australian Tax Return from the Australian Tax Office (ATO) website. This must include all pages of the tax return that includes the person's income, expenses and interest earned for the financial year, or
- A profit and loss statement from an accountant, and
- Last three months bank statements showing transaction details from all investment for all accounts held for all business and personal accounts including savings and shares.
- Self-employed income will be calculated on the income earned from the previous financial year.

### *Income from Centrelink or Veterans' Affairs*

Tenants and other household members must provide the current Income Statement from Centrelink (CIS) or the Department of Veteran Affairs (DVA).

If a tenant and/or household member has given consent to Centrelink consent to Option One, they do not need to provide an income statement as HOME in PLACE will download this directly from Centrelink.

### *Assessing income where an applicant or a household member receives an amount that is less than a statutory rate*

HOME in PLACE will assess people who receive an income that is less than the Jobseeker Allowance (or other benefit to which they would otherwise be entitled), as though they receive the appropriate statutory benefit for their age and household composition. This includes people who receive wages or salaries, or who are self-employed.

### *Assessing income where an applicant or household member does not receive a statutory income or receives a reduced statutory income.*

In accordance with the [NSW Community Housing Rent Policy](#) instances where, an applicant or household member receives no statutory income, or a reduced statutory income, because they:

- Have chosen not to apply for an income to which they are entitled, or
- Are not eligible to receive a statutory income because:

- they have gone overseas;
- they receive a Jobseeker Allowance, have not sought work and have become ineligible for further payments for a specified 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; or
- have breached Centrelink requirements or are repaying a Centrelink debt.

HOME in PLACE will assume that the applicant or household member receives a statutory income and will base the eligibility assessment on the statutory payment to which that person would otherwise be entitled to receive.

Statutory income **will not** be applied in circumstances where the tenant refuses to provide evidence of household income to HOME in PLACE.

### *Fluctuations in Income*

Where a tenant's income varies, and it not considered feasible to consistently change the tenant's rent assessment, it is possible to average the tenant's income over a 12-week period for the purposes of rent assessment. Such an assessment method will be approved by the relevant Executive Manager.

### *Proof of Income*

The tenant is responsible for providing HOME in PLACE with income details for all household members. The tenant must provide proof of income for themselves and other household members who are 18 years of age or older. Proof of income 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
Self-employed	Profit and loss statement completed by an accountant or a taxation return
Income from an overseas government, WorkCover or an insurance company/agency	Letter or statement from an overseas government, WorkCover or and insurance company showing all monies paid to tenant or household member
Income from investments	Statement or letter from a finance or investment company showing all income from investments
Other	Letter/statement showing the type and amount of money received

If a tenant or household member has given HOME in PLACE consent to obtain their Centrelink income statement online, they do not need to give it to us.

Proof of income must match the type of income the person is receiving, for example, if a person receives a Centrelink payment, they must give us their Centrelink statement. The tenant must provide proof of all types of income. Proof of income cannot be more than 1 month old, except for tax returns for people who are self-employed which cannot be more than 13 months old.

## 5. Rent Reviews and Recalculations

When applying for a rent subsidy a tenant must declare all assessable income and provide proof of the amount received by their spouse/partner and each other member of their household aged 18 years and over. Proof of income must be original, relate to the type of income and acceptable as evidence of proof of income (refer Section *Proof of Income*)

Tenants rent is subsidised only up to the level of market rent for the property. Tenant rent payable will never exceed the current market rent value for the property.

Each tenant is responsible for collecting the income details of household members and providing these details to HOME in PLACE so that their rent can be assessed.

Tenants will be notified, in writing, of any changes to their assessed rent and such changes will take effect from the date in the notification, with any legislated notice periods applied

### *Periodic Rent Review (PRR)*

HOME in PLACE will undertake a Periodic Rent Review (PRR) - general income and rent review of all tenants covered by this policy every six (6) months. Tenants will be required to provide verification of their income within 21 days of HOME in PLACE request being made.

Tenants who fail to supply details and verification of household income prior to the due date for return of the required information will no longer be eligible for a rental subsidy and will be charged market rent until the required documentation is received.

### *Changes in household circumstances/income*

Tenants who receive a rent subsidy must also advise HOME in PLACE of any changes to their household circumstances or income at any time during their tenancy. This information must be provided within twenty-one (21) days of the change of circumstance. This information must be provided even if they are in the Centrelink Income Confirmation Scheme.

Tenants can lose their rental subsidy if there is a change in the income of the household, there is a change in the number of adults living in the household or the information supplied is incorrect or the income received causes the subsidised rent to exceed the market rent of the property.

## *Cancellation of Rental Subsidies*

In circumstances where a tenant refuses to provide evidence of household income or HOME in PLACE has substantiated fraud through the tenant's failure to notify of a change of income or household circumstances, benchmark payments will not be applied, and any rental subsidy will be cancelled.

A tenant under a social housing tenancy agreement, whose rent rebate is cancelled, may apply to the NSW Civil and Administrative Tribunal (NCAT) for an order declaring that the rent payable under the agreement (or proposed social housing tenancy agreement for premises already occupied by the tenant) is excessive. The tenant may do so within the period prescribed by the regulations after the cancellation of the rent rebate takes effect. This is in addition to any other provisions of the Act.

## *Back Dating of Rent*

Where market rent has been applied due to failure to provide income information during a Periodic Rent Review, a tenant can request backdating to the date market rent was applied if they can demonstrate income evidence for the household for the applicable period.

At any time a change of household circumstances or income will result in a reduction of rent payable, a tenant can request backdating of the rent recalculation to the date the change became effective if they can demonstrate income evidence for the household for the applicable period.

If a tenant is unable to evidence household income for backdating purposes, the new rent will be calculated effective from the date the income information is received.

## *Effective dates for rent charges and notification to tenants*

Tenants will be notified, in writing, of any changes in their assessed rent and the date the changes start.

A tenant can ask for a rent statement at any time, and this will be provided within 7 days.

HOME in PLACE uses the household income to calculate how much rent to charge, tenants must tell us within 21 days when their household income changes or the people in the household change.

When HOME in PLACE is told about income or household changes, the tenant will be asked to provide proof of income for the household and HOME in PLACE will review the amount of rent charged within 14 days of receiving the new income details. The tenant will be advised, in writing, of the new rent amount and the start date. The table below explains when new rent will start.

Rent Review Outcome	Situation	New rent start date
Rent increase	The tenant told HOME in PLACE about the change within 21 days	Postage notice is given (7 days)
Rent increase	The tenant did not tell HOME in PLACE about the change within 21 days	The new rent will start on the date that the income changed
Rent decrease	The tenant told us about the change within 21 days	The new rent will start on the date that the income changed

Rent decrease	The tenant did not tell us about the change within 21 days	The date that the income changed if the tenant provides evidence of household income for the applicable period; or The date income information is received if backdating cannot be substantiated
Rent increase from periodic rent reviews	Tenants are given a minimum of 16 days' notice before the new rent comes into effect (15 days' notice is required for Centrelink updates & letter must be issued prior to updates)	16 days plus 7 days postage from notice of rent increase.

The Chief Operating Officer, or delegate, can make decisions about rent start dates outside of this policy.

## 6. Market Rent

Market rent is the amount a landlord might reasonably expect to receive, and a tenant might reasonably expect to pay, for a tenancy. It is determined based on the amount of rent charged for similar properties in similar areas. Market rent is the amount on the Residential Tenancy Agreement between HOME in PLACE and a tenant.

For social housing properties owned or managed by HOME in PLACE, the market rent is based on the median rent for the type and size of a property in the area where the property is located, it may be set using rent data for the Suburb or the Local Government Area. The median rent for social housing is determined by HOME in PLACE based on Rent and Sales Report data published on the DCJ website. HOME in PLACE reviews and updates market rents as applicable, annually.

For properties that HOME in PLACE rents from private landlords, the market rent is the rent we pay for the property. Market rents for leasehold properties are reviewed and updated in accordance with the Residential Tenancy Agreement between HOME in PLACE and the private landlord and is updated when the rent HOME in PLACE pays for the property changes.

If the market rent changes, HOME in PLACE will give tenants notice in writing as required by the Residential Tenancies Act 2010. The notice period is 60 days + 7 days to allow for postage.

## 7. Reduced Rent

Tenants and other household members must pay their rent while they are away from the property. However, in some situations a tenant can ask us to reduce the rent that is charged to them. If a tenant or household member is approved for reduced rent, HOME in PLACE will charge that person \$5 per week when the household rent is calculated. For other people in the household, HOME in PLACE will still use their income to calculate the rent.

HOME in PLACE will only apply the \$5 rent in the following situations:



Situation	Details
No Centrelink income as spouse or partner earns too much.	The tenant or adult household member receives no other income and is not eligible for Centrelink benefits due to the income of their spouse/partner.
Youth Allowance / Abstudy and the Family / Parental means test	<p>The tenant or adult household member is:</p> <ul style="list-style-type: none"> <li>• Not eligible to receive Youth Allowance or Abstudy due to Centrelink's family / parental means test, and</li> <li>• They are not considered to be economically independent by Centrelink, and</li> <li>• They have no other income.</li> </ul>
Sponsorship, 2 year waiting period or holding a temporary visa while waiting for DIMIA decision on immigration status	<p>The tenant or adult household member receives no other income (or receives only Family Tax Benefits) and is not eligible for Centrelink benefits due to their immigration status.</p> <p>Every three months, HOME in PLACE will review the \$5 rent assessment.</p>
Aged Care facility, rehabilitation, respite care or a refuge (or another safe place)	<p>The tenant or adult household member's living expenses are increased because they are required to pay a fee for their accommodation while in an aged care facility, rehabilitation centre, respite care, or in a refuge (or another safe place) after leaving domestic violence.</p> <p>The tenant or adult household member must substantiate all claims for the minimum rent charge. <b>The reduced rent will apply for a period of 3 months with an assessment conducted at the end of this period, an extension may be granted up to a maximum of 6 months.</b></p> <p>If a tenant is sent to (or voluntarily attends) a Drug and Alcohol Rehabilitation centre AND must pay to stay, the rent may be reduced to \$5.00 per week for the term of the rehabilitation, however, continued eligibility must be assessed each three (3) months. Where there are other adult household members remaining in the property, their income is included in the calculation of the rebated rent</p>
Incarceration	<p>A tenant or approved household member who is in prison for three months or less is eligible for the \$5 minimum rent. The \$5 rent will be assessed at the end of the 3-month period and an extension may be granted up to a <b>maximum of 6 months</b>. If there are remaining family members residing within the premises are receiving income the rent is to be recalculated to take into consideration the reduction of income of the household.</p> <p><b>Tenants who go to prison for a period of more than six months must relinquish their tenancy.</b></p> <p>Where there are other household members, HOME in PLACE will review the circumstances of the household and consider whether another household member is able to succeed to the tenancy.</p>

HOME in PLACE will not reduce rent when the tenant/household members are away for other reasons such as holiday or helping with immigration matters in their home country.

Rent reductions in the above circumstances must be approved by the relevant Executive Manager.

## 8. Program Specific Rents: Social Housing Management Transfer (SHMT) Specific Rent Assessment (retired)

HOME in PLACE is a community housing provider contracted to manage properties transferred by the DCJ in 2019 under the SHMT program. Under the SHMT program, HOME in PLACE was contracted to maintain the transferring tenant's rent setting environment at the time of transfer until the tenant's income changes and a new subsidy is assessed. This includes where a tenant is paying rent at a non-standard assessment rate which has been pre-approved by DCJ.

After this time, HOME in PLACE will apply its own policy for assessing rent. If a transferring tenant is paying between 25% and 30% of their income in rent, or paying market rent, HOME in PLACE can continue charging this rate until the end of tenant's current lease, as long as the tenants income remains consistent with income eligibility for a rent subsidy and rent assessment rules in the ***DCJ's Tenancy Charges and Account Management Policy Supplement***.

## 9. Review of decisions

Decision about the calculation of rent subsidies, the cancellation of rent subsidies and eligibility for a rent subsidy are reviewable decisions. If an applicant is not satisfied with a service provided by HOME in PLACE or does not agree with a decision it has made, they can ask for a formal review. To do this the tenant can complete an FOR-001 Appeal Request Form and provide evidence to substantiate why the decision should be changed.

If an applicant is unhappy with the outcome of the review conducted by HOME in PLACE, 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 employees 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](http://www.hac.nsw.gov.au).

## 10. List of Annexures

### Annexure 1

- NSW Community Housing Rent Policy  
[NSW Community Housing Rent Policy](#)
- DCJ Assessable and Non-Assessable Income and Assets Table  
[Assessable and Non-Assessable Income and Assets Tables](#)
- DCJ Tenancy Charges and Account Management Policy Supplement  
[Tenancy Charges and Account Management Policy Supplement](#)

## 11. Definitions and Acronyms Glossary

For clarification of any definitions or acronyms contained within this document, please click on the [Glossary](#) for information.

*'End of Document.'*

Title	Rent Policy (Social Housing NSW)	POL-025-027	Version	V18	Last Review	01/04/2025	Page 11 of 11
-------	----------------------------------	-------------	---------	-----	-------------	------------	---------------