Rent Policy (Social Housing Qld)

1. Purpose

The purpose of this policy is to outline how HOME in PLACE Queensland calculates rent and manages the annual rent review process for tenancies in Queensland (Qld).

2. Scope

This policy applies to all tenants who live in a property that is owned or managed by HOME in PLACE in Queensland, targeted as 'social housing' for the purpose of setting rent and must comply with the Queensland Department of Housing (DOH) Community Housing Rent Policy and Guidelines in accordance with DOH service agreements, property leases and applicable common terms and conditions.

3. Policy Statement

HOME in PLACE's Rent Policy (Social Housing - Qld) 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).

Tenants residing in properties managed by Home in Place in Queensland will have their rent assessed at:

- 25% of the household's assessable income, plus 100% of Commonwealth Rent Assistance (CRA) entitlement
- 28% of the household's assessable income, plus 100% of CRA entitlement when the property or accommodation in furnished
- **Up to** 30% of the gross household income, plus 100% of CRA entitlement **or** up to 74.9% of market rent (whichever is lower) for affordable housing delivered as social housing
- Market rent if it is lower than the income-assessed rent

Details regarding assessable and non-assessable income can be found in the Community Housing Rent Policy Fact Sheet – Assessable and non-assessable income lists.

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4. Rent Reviews and Recalculations

HOME in PLACE will undertake a Periodic Rent Review – a general income and rent review of all tenants covered by this policy - every twelve (12) months. Tenants will be required to provide verification of their income within 21 days of HOME in PLACE request being made.

Tenants who receive a rent subsidy must also advise HOME in PLACE of any changes to their household circumstances at any time during their tenancy. This information must be provided within twenty-eight (28) days of the change of circumstance. This information must be provided even if they are in the Centrelink Income Confirmation Scheme.

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 16 years and over. Proof of income must be original, relate to the type of income and acceptable as evidence of proof of income. Evidence of income should not be more than 28 days old.

Tenant rent is subsidised only up to the level of market rent 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 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 date the required documentation is received. A tenant can request for a rent decrease to be backdated if they can demonstrate income evidence for the applicable period. 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.

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 occupants 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.

Household members who receive no income, a very low income or whose income cannot be verified will have income calculated based on a Benchmark Payment. A Benchmark Payment is equivalent to the income support payment that best aligns with the individual's circumstances and is determined in consideration of a number of factors, which can include:

- A person's age,
- Marital status
- If they live at or away from home
- Number and ages of children

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Any household member who is deemed eligible to receive an income support payment, but is not receiving it (i.e. a person who will not engage with Services Australia, a person who is in breach of payment eligibility terms) will be attributed an income – a Benchmark Payment – in alignment with their circumstances.

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.

If the rent payable is decreasing, the effective date will apply from the date of the change in circumstances, on provision of the relevant evidence by the tenant.

5. Work Incentives

Tax Allowance Scale

To incentivise employment opportunities in social housing tenancies, income earned from work will be assessed on 'after tax' income. Gross taxable income earned from work is reduced by the tax allowance scale. The *Community Housing Rent Calculator (CHRC)* has been developed to calculate rent according to the tax allowance scale.
Details regarding the tax allowance scale can be found in the Community Housing Rent Policy – Guideline.

Guaranteed Rent Periods

A six-month guaranteed rent period applies to all households that advise HOME in PLACE that a household member is entering the workforce. During the guaranteed rent period, the household rent is not adjusted to include their earned income (wages).
Eligibility criteria for the guaranteed rent period:

- Household member is in receipt of Services Australia or DVA income support payment
- Household member is starting new employment
- Household member is not self-employed, or starting a second job
- Household member is not returning to work after being on a WorkCover payment

Youth to Work

Household members who are aged under 25 years, and who are not the tenant or the spouse of the tenant, in a social housing property, and who are working will not have their working income included in the calculation of rent. Any statutory income payments received will still be assessable.

Sweat Equity

The Community Housing Rent Policy does not apply rent discounts to tenants in recognition of contribution through work or effort (i.e. volunteering), as opposed to financial contribution.

6. Market Rent

HOME in PLACE tenants will be charged affordable rent, that may be calculated based on a percentage of market rent, or at the rate of market rent – whichever is lower. The maximum (or Market Rent) for the

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property is determined by the provider in consideration of market rent for similar properties of the same standard in the area, as well as any relevant published market rent data.
Market Rent Reviews will be conducted annually, prior to the annual Periodic Rent Review.

7. Minimum or Reduced Rents

Minimum Rent

HOME in PLACE may approve sole tenant to be charged minimum rent in some circumstances. Minimum rent is applied at $5 per week for the impacted household member. Minimum rent will not be used to assess rent for tenants who cannot or will not verify their income or have no income. Minimum rent can be considered in the following circumstances:

- Where a sole tenant is away from the property due to an approved absence. An approved absence may include incarceration, respite or hospitalisation where the occupant is required to pay for alternative accommodation, rehabilitation or undertaking vocational training aimed to improve chances of obtaining employment (must be in Queensland).
- To assist a household in severe economic difficulty in conjunction with an application under HOME in PLACE's POL-025-60 Financial Hardship Policy
- When the household's calculated rent is lower than the minimum rent

Where a tenant has been approved for temporary absence due to hospitalisation, rehabilitation or respite, they must provide evidence that additional accommodation costs will be incurred before minimum rent can be applied. A minimum rent period will not exceed any approved temporary absence period. Information regarding temporary absences from properties can be found in the POL-5025-36 Absence from Property Policy (QLD).

Reduced Rent

HOME in PLACE may apply a reduced rent for households where one or more household members have been approved for minimum rent due to a temporary absence. In this instance, all remaining eligible household members will be assessed at the standard applicable rate for the household. A reduced rent period will not exceed the approved temporary absence period.

8. 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'

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