

Rent Setting Policy (Victoria)

1. Purpose

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

2. Scope

This policy applies to all renters who live in a property owned or managed by HOME in PLACE in Victoria.

This policy applies to HOME in PLACE (Victoria) ("HOME in PLACE VIC"). References to HOME in PLACE (Victoria) in this policy refer to all HOME in PLACE (VIC) companies unless specified otherwise.

The policy applies to all workers, directors and members of HOME in PLACE (VIC) decision-making committees and advisory bodies. The policy applies to third parties engaged to carry out activities on behalf of HOME in PLACE (VIC) if stipulated by agreements.

3. Policy Statement

HOME in PLACE's Rent Setting Policy Victoria aims to ensure a clear and consistent approach to rent setting for all renters to who this policy applies. HOME in PLACE VIC will explain how rent is worked out and meet our legal duties when calculating and reviewing rent.

HOME in PLACE VIC manages properties according to agreements with State and Federal Governments, partners or investors. HOME in PLACE VIC will observe its contractual or program obligations in relation to rents for all properties that are managed under such agreements. HOME in PLACE VIC is responsible for ensuring that these agreements are upheld and rent amounts are set as per its contractual arrangements in the first instance.

Rent setting and gross household income

To help achieve its aim of setting affordable rents, HOME in PLACE VIC also makes every attempt to develop and manage safe, affordable, suitable, and quality housing that gives people stability to build their life and community.

For properties HOME in PLACE VIC manages which are not subject to rent setting agreements with State and Federal Governments, partners, or investors, HOME in PLACE VIC sets rent to ensure affordability at:

- Up to 30% of gross household income inclusive of all sources, plus
- 100% of any Commonwealth or Department of Veterans Affairs Rent Assistance for which the renter is eligible,
- With the total amount being capped as per the market rent ruling defined by the Australian Taxation Office for GST compliance.

HOME in PLACE VIC may, at its discretion, charge a lower rent amount. This may be for a specified timeframe and/or in exceptional circumstances deemed appropriate by HOME in PLACE VIC and the amended rent charge must be approved by the Group Chief Financial Officer. This may also include employing incremental increases to support renters in transitioning to increased rent payable amounts that may be significant.

Communication regarding rent setting

Renters are advised under which rent program their property is managed and how their rent is calculated at the time they sign their residential rental agreement with HOME in PLACE VIC. HOME in PLACE VIC is committed to ensuring its renters understand exactly what their rent charge is and how it is calculated at all times. Renters will be notified, in writing, of any changes in these rent charges and the date the changes start.

To provide great service, HOME in PLACE VIC requires its renters to communicate clearly regarding any changes to their circumstances at any time. Notification of any change of income and/or the household within 14 days of the change occurring is required to ensure HOME in PLACE VIC renters continue to pay the correct amount and do not fall into rental arrears.

If renters have any queries, they are encouraged to contact their nearest HOME in PLACE VIC office to discuss these in detail.

Market rent

Market rent is the amount a landlord might reasonably expect to receive, and a renter 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 rental agreement between HOME in PLACE VIC and a renter.

The market rent value is reviewed once a year. If the market rent changes HOME in PLACE VIC will give the renters notice as required by the Residential Tenancies Act 1997.

Rental bonds

Where applicable, HOME in PLACE VIC will take a rental bond at the start of a new tenancy, up to an amount equal to four (4) weeks of the market rent for the property. All bonds will be lodged with and held by the Residential Tenancies Bond Authority until such time as a tenancy ends and the renter vacates the property.

Any bond amount paid will be released, minus any amount owing or applicable deductions, following the vacation of the property and the end of a tenancy as per State legislative requirements.

In the case of a renter transferring to a different HOME in PLACE VIC property, the existing bond may, in some circumstances, be transferred to the new tenancy and property. If this occurs, all amounts owing, or applicable deductions relating to the previous property and tenancy, remain payable by the renter. Should the bond amount on the new property be more than the original bond held, the renter will be required to pay the difference which will be lodged with and held by the Residential Tenancies Bond Authority.

Rent and/or income reviews

HOME in PLACE VIC conducts rent and/or income reviews for all of its tenancies twice per calendar year, according to program requirements and relevant legislation in its operating jurisdictions. Renters will be required to provide updated information for all household occupants in receipt of an income. During this process, the rent payable by the renter will be reviewed by assessing their gross household income should they be on an income-based rent, or against market rental and/or discount market rental values, in line with the program guidelines under which the property is managed. These reviews may result in the rental amount payable by a renter changing and may result in either increasing or decreasing, depending on their circumstances at the time of the review.

Renters will be notified in writing of the outcome of the review and any changes to the amount of rent payable with the required notice provided, as determined by the relevant governing legislation and/or contractual obligation under which the property is managed. This includes if there are no changes to the current amounts payable by the renter.

If the tenant is still within a fixed rent period, rent increases will not be applied until after the fixed rent end date.

Rent increases when household income changes due to employment

HOME in PLACE VIC seeks to assist its renters to increase their financial confidence and capacity to participate economically and in their communities. For renters who advise HOME in PLACE VIC, outside of a Automatic Fixed Rent Review (AFRR) process, that their household income has increased due to the securing of employment, HOME in PLACE VIC may provide a transition period of up to 6 months before increasing the rent payable if they are on an income-based rent.

Rent decreases

HOME in PLACE VIC is aware that from time to time, its renters' household income encounters changes that may result in the rent amount payable decreasing for some renters paying income-based rent.

Any applicable rent decrease will be effective from the date HOME in PLACE VIC was notified of the change in the renter's household income, and provided all required documentation, information and evidence is provided to HOME in PLACE VIC to enable a rent rec-calculation to be completed.

Assistance for renters experiencing financial difficulties

HOME in PLACE has developed a range of policies including its 'Hardship Policy', 'Sustaining Tenancies Policy' and 'Linking Tenants to Supports Policy', to assist renters whose circumstances have changed or who have incurred additional costs associated with their health, disability, remote location or other circumstances that impact on their cost of living.

HOME in PLACE is committed to working with its renters to assist and refer them to access appropriate supports to sustain their tenancy and maintain a stable and secure home. Renters are encouraged to use the provisions of the supporting policies in the case of rent difficulties.

Additional client related subsidies

HOME in PLACE Vic may apply additional subsidies for special client circumstances as detailed in the Victorian State Government '[Rent Setting and Rebate Operational Guidelines](#)'. These subsidies may apply where a client is:

- A sponsored migrant, or is a resident on a temporary or bridging visa
- Is temporarily absent from their home, and the absence is approved under the Victorian State Government '[Temporary Absence Operational Guidelines](#)'.
- The renter is under 18 years of age.
- The renter is over 100 years of age

4. Review of Decisions

Decisions about the calculation of rent subsidies, the cancellation or rent subsidies and eligibility for a rent subsidy are reviewable decisions. If a renter 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 renter can complete a Review of Decision (Appeal Request) form.

If a renter is dissatisfied with the outcome of the review conducted by HOME in PLACE, there are other avenues available through:

- Victorian Ombudsman
- Victorian Equal Opportunity and Human Rights Commission
- Victorian Civil and Administrative Tribunal
- The Minister for Housing

5. Definitions and Acronyms Glossary

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

Title	Rent Setting Policy (Victoria)	POL-3025-27	Version	V2.1	Last Review	19/06/2024	Page 5 of 5
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