

Rent Management Policy

This Policy

Housing Services, comprising Centacare Evolve Housing (CEH) and CatholicCare Affordable Housing (CCAH).

Aligns to Standard 1.2 of the National Community Housing Standards

The organisation's rent management approach needs to both ensure the financial viability of the organisation and be sensitive to the needs and circumstances of social housing tenants.

Background

CEH was appointed by Housing Tasmania (HT) in 2014 to provide property and tenancy management services for an initial 1100 HT properties. The Residential Management Agreement (RMA) outlines the terms and conditions for the provision of these services including housing eligibility and, the responsibilities for setting and collecting rent.

CCAH is a community housing provider managing approximately 400 properties throughout Tasmania through several housing initiatives – Affordable Housing, Rapid Re-housing, crisis/transitional housing and the National Rental Affordability Scheme (NRAS).

Related policy – Eligibility

CEH

The HT housing eligibility policy states that:

Housing Tasmania properties are limited resources and are allocated to people with the greatest housing need for their duration of need. For clients to access housing assistance with Housing Tasmania, they must meet the eligibility criteria. Housing Tasmania eligibility is assessed against the following criteria:

- 1) be a Tasmanian resident;*
- 2) be an Australian Citizen or Permanent Resident;*
- 3) be 16 years or older;*
- 4) be a low income earner eligible for a Commonwealth Health Care Card;*
- 5) not have financial assets exceeding \$35,000 per household, and*
- 6) not own land or a home of your own*

For applicants who are unable to meet the Housing Tasmania eligibility criteria, their application will not be placed on the waitlist for housing assistance with Housing Tasmania.

The eligibility policy may be viewed in full at:

https://www.dhhs.tas.gov.au/housing/tenants/tenancy_facts_and_policies/becoming_a_tenant/housing_tasmania_eligibility2

As per RMA, CEH must source tenants from Housing Tasmania waiting list of eligible persons by using the HMS database (formerly ASK system) and allocate a minimum of 30% of vacant premises to eligible persons in the highest need category.

CCAH

- **Affordable Housing properties** are owned by CCT and tenanted to low-middle income earners sourced from CCAH's own wait list. Advice from CCAH's Coordinator (Donna Haas) is that there is

no documented income thresholds however only those applicants in receipt of a Centrelink benefit (or equivalent income) are considered for housing (ie no applicants who solely earn wages).

- **Rapid Re-housing properties** are a mix of properties owned by CCT and private owners and leased by CCAH to tenants affected by family violence. Eligible tenants are identified and then referred to CCAH by Housing Connect.
- **Crisis/transitional properties** are owned by HT and leased short-term by CHATS clients (CatholicCare Homelessness and Tenancy Support).
- **National Rental Affordability Scheme (NRAS) properties** are owned by CCT. Prior to commencement of tenancy in an NRAS property, a household's gross income for the 12 months prior must be equal to or less than the relevant income eligibility limit for the household's composition. Household income may increase above the income limit in subsequent years to a maximum of 25 per cent. If the income exceeds 25% for two consecutive years then CCT is no longer entitled to receive the NRAS subsidy. For further information about income eligibility limits for various initial and existing household compositions, go to <https://www.dss.gov.au/our-responsibilities/housing-support/programs-services/national-rental-affordability-scheme/national-rental-affordability-scheme-nras-household-income-indexation>

The documented system might include:

Affordable rent benchmarks

Rent setting

The rent setting policy applied to different types of affordable or sub market rents, where more than one exists (for example, public housing low income rentals, key workers, sub market community rentals)

Methods of calculating the rent payable

When and on what basis rental and income reviews are conducted (including any program guidelines the organisation must comply with)

Reference to applicable jurisdictional legislation that impacts on rent setting.

The Act and Regulations can be found here:

www.thelaw.tas.gov.au

From 1 October 2015, rent can only be increased 12 monthly regardless of the date of the signing of the agreement.

The owner can only increase the rent after giving the tenant written notice, specifying:

- The amount of the new rent
- The day on which the increase begins.

If you signed your agreement after 1 October 2014, your rent can be increased

- 60 days after notice of the increase is given and either:
- 12 months after the commencement/renewal/extension of the agreement; or
- 12 months after the last increase in rent; or
- 12 months after an order from a magistrate relating to rent.

If you signed your agreement prior to 1 October 2014, rent can only be increased:

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- 60 days after notice of the increase is given and either:
- 6 months after the commencement/renewal/extension of the agreement; or
- 6 months after the last increase in rent; or
- 6 months after an order from a magistrate relating to rent.

- **CEH**

As stated in the RMA, rent charged must not exceed maximum rent. Maximum rent is defined as the lesser of:

- Commonwealth rent assistance (CRA) plus 25% of the household income; and
- Market rent. Market rent means the market value rent for the property if rented in the open market. A few properties are leased at a “peppercorn rent” (eg \$5 per week) to police officers.

- **CAAH**

- ***Affordable Housing***

Rent is set at 74.9% of assessed market value, to a maximum value of 30% of household income.

All rents are reviewed in September each year. Market rent valuations are conducted every 3 years, coordinated by Finance. In the intervening years, rents are increased by the annual CPI value.

- ***Rapid Re-housing properties***

Rent is set at 25% of income plus CRA. Eligible tenants are identified and then referred to CCAH by Housing Connect.

- ***Crisis/transitional properties***

As per the CHATS rental payments policy dated May 2008, rent is based on 25% of income plus CRA with maximum rent being 74.9% of market rent.

- ***NRAS properties***

Rent is set at 80% of market rent. NRAS policy stipulates that market rent must be reviewed every three years and rent may be increased equivalent to CPI in the years in between the reviews.

CAAH will review all NRAS rents in September each year. Market rent valuations are conducted every 3 years, coordinated by Finance. In the intervening years, rents will be increased by the annual CPI value.

Methods of rent payment

As outlined in the lease

How to pay rent

These are the ways you can pay your rent:

- By CentrePay;
- Pay directly into Commonwealth Bank account

(CEH = BSB: 067 000, Account No: 1031 6196; CCAH = BSB: 067 000, Account No: 1031 5775)

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- By another means agreed between you and us including EFTPOS or Rent Card; or
- However we instruct you to pay.

Security deposit/bond

Procedures for handling rental arrears

As outlined in Housing Services' *Rental Arrears Recovery Procedure*, Tenants are required to pay the total rent due on time and in advance (either 7 or 14 days) in accordance with their Residential Tenancy Agreement. When this does not occur we will immediately implement an arrears recovery procedure.