

Tenant and Housing Services

NBESP Rent Policy

Document Name	NBESP Rent Policy
Department	Tenancy
Responsible Officer	Tenancy Manager
Revision	1.1
Next Review	10/11/2018
Status	Approved
Date Approved	10/11/2015

1. Rationale

This policy applies to the tenancies for properties allocated under the National Building Economic Stimulus Plan (NBESP). The tenancies under NBESP are classified as Vulnerable Households by Community Partnerships and Growth and as such have their Income Based Rent limited to 25% of their income excluding Commonwealth Rent Assistance (CRA), plus the eligible amount of CRA.

2. Legislation and Other Policies

2.1. CHL will comply with the following legislation (as amended):

- Residential Tenancies Act 1995

2.2. CHL will comply with the following policies (as amended):

- Community Partnerships and Growth Rent Policy (V13 August 2013)

3. Income Based Rent

3.1. To be eligible for Income Based Rent, tenants (and all other members of the household) must provide proof of income at the start of the tenancy and when requested to do so during their tenancy.

3.2. If a tenant and all other members of the household do not provide proof of income when requested, Modified Market Rent will apply.

3.3. If a tenant is ineligible for Income Based Rent, then Modified Market Rent is charged.

3.4. For Vulnerable Households, Income Based Rent is calculated as 25% of the Gross (before tax) non-Commonwealth Rent Assistance (CRA) income of all people in the household, plus the full amount of CRA the tenant is eligible to receive.

4. Modified Market Rent

4.1. The current Modified Market Rent for NBESP properties is 74.9% of the Market Rent of the property. The Market Rent is determined from available market data and Residential Tenancy Branch information or if available, independent valuation.

4.2. A tenant will be charged Modified Market Rent unless eligible for Income Based Rent.

4.3. If a tenant's income increases to such a level that their Income Based Rent is greater than the Modified Market Rent, then the Modified Market Rent will apply.

5. Proof of Income

5.1. Valid proof of income is:

- A Centrelink Income Statement for Housing Authorities
- Three (3) consecutive fortnightly payslips, or six (6) consecutive weekly payslips
- A letter from your employer
- Veteran Affairs Income Statement

- Taxation Return Assessment
- Other proof of income as agreed by CHL

5.2. If the tenant considers that any information on the Centrelink Income Statement is incorrect, then it is the Tenant's responsibility to have that information corrected.

5.3. The person(s) named on the tenancy agreement is responsible for submitting proof of income for all household members

6. Assessable Income

6.1. The Assessable Income for Income Based Rent is the Gross income (before tax and deductions) including:

- Centrelink payments
- Allowance and supplements
- Maintenance payments
- Financial and investment income
- Employment income (including self-employment)
- Veterans Affairs and other pensions
- All other income

6.2. Commonwealth Rent Assistance is not included as Assessable Income

7. Rent Reviews

7.1. *Scheduled Rent Reviews*

7.1.1. Scheduled Rent Reviews occur once every year, normally during October.

7.1.2. Tenants will be required to supply proof of income during the rent review period. Rent changes from scheduled rent reviews will apply from the start of a rent fortnight in November or December.

7.2. *Ad-hoc Rent Reviews*

7.2.1. If between the scheduled rent reviews, a tenant's income level varies by more than \$10 per week, then the tenant must notify CHL and request a review of the rent.

7.2.2. If a tenant's circumstance changes during the tenancy, e.g. they begin or end employment or the number of dependants alters, then the tenant must immediately notify CHL so that the rent can be reviewed.

7.2.3. Changes in rent will apply within one month of an ad-hoc rent review

7.2.4. Backdating a change in rent is at the sole discretion of CHL

7.3. Rent Review Management

- 7.3.1. All NBESP tenants will be provided with a NBESP Rent Fact Sheet at the time of accepting a property or signing the lease for a property. Support Agencies will be provided with a copy of the Rent Policy Fact sheet.
- 7.3.2. Rent Reviews will be performed and calculated through the CHAMP program.
- 7.3.3. At the time of a rent review LCHSU will request the income details from a tenant. Tenants have the option of authorising LCHSU to:
- i. Access Income details on the Centrelink website and
 - ii. Advise Centrelink of changes to the tenant rent
- 7.3.4. To authorise the above, each person in a property must sign a Centrelink Information Approval Form.
- 7.3.5. Once income details are received and a rent review is processed a copy of the rent review and letter will be sent to the tenant.
- 7.3.6. The tenant will have two weeks to advise if there is an error in the income details used to calculate the rent.
- 7.3.7. If there is an error on the income details it is the tenant's responsibility to have the details corrected or provide LCHSU with other proof of income.
- 7.3.8. If a tenant has not signed a Centrelink Information Approval Form, or does not pay rent via the Centrepay method, it is the tenant's responsibility to setup and maintain the rent payment.
- 7.3.9. A copy of the completed rent review will be kept in the tenant's file.
- 7.3.10. The CHAMP system will retain a copy of the completed rent review.

Change Log		
Revision	Change	Date
1.0		7/12/2010
1.1	- Added <i>Change Log</i> - Rebranded to CHL - Changed 'Ceiling Rent' to 'Modified Market Rent'	10/11/2015