

RENT (SOCIAL HOUSING) POLICY



1. Purpose

Evolve Housing is required to manage housing in accordance with policy guidance set out by Housing NSW. Housing NSW provides assistance to registered community housing providers in NSW to supply subsidised rental accommodation to people on very low to moderate incomes and people with additional needs.

Assistance is provided for the following types of accommodation: social housing, transitional housing and crisis accommodation. The NSW Community Housing Rent Policy applies to properties governed by an agreement between Housing NSW and a community housing provider for the provision of social housing.

2. Scope

This Policy applies to all Tenants, ex-residents and Applicants of Evolve Housing.

3. Policy Statement

Evolve Housing is committed to providing affordable social housing.

Evolve Housing requires all Tenants living in a Property owned or managed by Evolve Housing to pay rent on a weekly basis. Evolve Housing charges market rent for all its Social Housing properties. This is the maximum rent a Tenant can be charged. Evolve Housing may only vary the market rent in accordance with the Residential Tenancies Act 2010.

Market rent is the maximum amount of rent a landlord or real estate agent would charge each week if the Property were rented in the private market. Market rent is determined using a number of sources including:

- Property valuations and current trends in the private rental market;
- Median rent information provided by the NSW Rental Bond Board;
- The geographical location;
- The size and design of the Property;
- Each Property has similar features.

This means the market rent of our properties will be comparable to similar properties in the private rental market.

3.1 Market rent

Market rent will be shown on the Residential Tenancy Agreement signed between the Tenant and Evolve Housing and will be the maximum amount of rent payable for that Property at the commencement of the Tenancy Agreement.

Rental subsidies can be applied for by the Tenant submitting a completed Rent Subsidy Application to Evolve Housing and providing their current income details and that of all other household members.

Where properties are owned or managed by Evolve Housing, the market rent is calculated by using the NSW Rental Bond Board median market rent for the area (as above), which is published by Housing NSW. The market rent for capital properties will be reviewed annually.

Leasehold properties, leased by Evolve Housing from the private market, have the actual rent set for the Property at the time of signing the agreement between Evolve Housing and the Landlord or agent. Market rents for this type of Property will be reviewed and updated when the actual rent paid by Evolve Housing changes.

When a Tenant's market rent changes, Evolve Housing will notify the Tenant in writing in accordance with the requirements of the Residential Tenancies Act 2010.

3.1.1 Market rent limits for studio apartments (bedsitters)

Studio apartments do not appear as a separately identified type of accommodation, in the list of properties assessed in the NSW Rental Bond median rents list. As they do not have a separate bedroom, Evolve Housing will assess the maximum rent payable for this type of accommodation at seventy five per cent (75%) of the maximum rent payable for a one bedroom Property in that location.

3.2 Rent and bond payments

At the commencement of the Tenancy Agreement, the process of rent payment will be explained to the Tenant. The rent may be paid either weekly or fortnightly. Tenants will be required to pay two weeks subsidised rent in advance at the time of signing their Tenancy Agreement together with a bond lodgement of two weeks subsidised rent.

3.3 Types of rent charged

If a household income is calculated to show the Tenant's rent is less than market rent, they can apply for a rent subsidy. The rent subsidy will reduce the amount of money the Tenant has to pay in rent. Evolve Housing has the authority to grant a rent subsidy under the provisions of the Housing Act 2001.

3.4 Subsidised rent

Subsidised rent is the difference between the market rent and the rent a Tenant pays, based upon their household's assessable income, plus 100% of the household's entitlement to Commonwealth Rent Assistance (CRA). This is subject to the qualification that the subsidised rent must not exceed market rent. Evolve Housing does not pay the rent subsidy to the Tenant, but deducts it straight from the market rent. Rental subsidies will be adjusted twice yearly.

3.5 Percentage of assessable income payable by different household members

Assessment Rate	Tenant/ Other Household Member
25%*	The Tenant, their spouse or live-in partner, irrespective of their age. All other persons living in the household who are aged 21 years or over.
15%	People living in the household aged 18 to 20 years inclusive who are not the Tenant, their spouse or live-in partner.
15%	Family Tax Benefit Part A & B
Nil	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.

3.6 Proof of Income

To determine the eligibility of a Tenant for a rental subsidy, Evolve Housing requires proof of income for the Tenant, their spouse or live-in partner (even if they are under 18 years) and other household members aged 18 years or over.

Individual rental assessments will only be varied against the agreed formula with the approval of the Operations Manager. Such approval of variation will only be given in extenuating circumstances or on compassionate grounds.

- All stated income must be verified by the income supplier. Such verification must be in writing and copies will be kept by Evolve Housing on the Tenants' personal file.
- All documentation verifying a householder's income must be dated. Such documentation will be current and will not be accepted by Evolve Housing, if dated more than one month prior to the date an application for rental assessment is made.
- Additional proof of income may be required by Evolve Housing where there is a difference to a household's standard income, for example, a household not receiving the standard Centrelink income.
- Clients are required to sign a Centrelink, Multiple

Deduction Format Scheme (MDFS), consent authority form, at the time of signing a Tenancy Agreement, to enable Evolve Housing to obtain the Tenant's income details electronically.

- The onus is on the Tenant to provide verification of their income within a reasonable period to substantiate a decrease in their income.
- Any changes to a household income must be reported to Evolve Housing within 28 days.

3.7 Assessable household income

Assessable household income is any income that is included in the calculation of a Tenant household's rent payment under this Policy. The Clean Energy Supplement is also included as assessable income.

3.8 Self-employed Tenants

Tenants who are self-employed will need to supply proof of their income that will independently verify any level of income stated.

This must consist of a profit and loss statement that sufficiently itemises the income and expenditure of the Tenant, in accordance with the requirements of the NSW Government Rent Policy.

3.9 No Income

Where a household member who is older than 18 years is not in receipt of any income, Evolve Housing will, for the purposes of the rental assessment, assume that the household member is in receipt of the standard Centrelink rate of pension or benefit for a period of 12 months. If the household member continues to receive no income after the 12 month period then market rent will be charged for the household until such time income details can be verified.

3.10 Income from wages and salaries

The household member must produce a copy of the most recent payroll advice received from their employer. Wages and salaries will only be verified upon completion

of the prescribed form, by the by the household member's employer.

3.11 Income from wages and salaries

Tenants' who fail to supply details of their household compliment 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 may be required to pay the market rent for the Property. In such circumstances, the Tenant will receive a final warning, in writing advising that:

- The rent will increase to the market rent value, effective immediately;
- Market rent will commence at the expiry of the previous rental subsidy;
- Any decision to approve backdating of a rental subsidy will be only granted in exceptional circumstances.

3.12 Rent payment using Centrelink deductions

Tenants who are in receipt of a Centrelink payment may choose to join the Centrepay Deduction Scheme. The Tenant will present a completed, prescribed, Centrelink application to Evolve Housing, who will arrange rent deduction payments with Centrelink.

3.13 Rent payment using PayWay card

Tenants who are not in receipt of a Centrelink payment are entitled to a PayWay card, which will enable a Tenant to make rent and non-rent payments at any post office. Other methods of payment are:

- BPAY, from a bank account using the BPAY Biller Code and Reference;
- Online with a credit card, visit www.payway.com.au;
- Through any Australia Post outlet using cash, cheque or EFTPOS;
- Direct debit by visiting www.payway.com.au and registering.

Where a Tenant makes non-rent payments, e.g. water usage, a separate deposit must be lodged to that of the rent payment. In circumstances where the Tenant has consolidated rent and non-rent payments in the one deposit, the total amount must be appropriated to the Tenant's rental account.

Such consolidated deposits may only be appropriated to a non-rent account where Evolve Housing is in receipt of a clear, signed agreement by the Tenant of such appropriation.

3.14 Rent and income review

Evolve Housing will review the amount of rent paid by a Tenant.

- A general income and rent review will be undertaken twice yearly.
- Tenants will be advised in writing, of the outcome of the review.
- The level of rent paid will be recalculated in accordance with the requirement set out below.
- Evolve Housing will reassess the rent level for a Tenant, upon being notified by the Tenant that the household income has changed.

The date for a rent decrease will be the same date as the date Evolve Housing was notified of the change in the Tenant's household income and all of the required information was provided by the Tenant within 28 days.

Where the Tenant has a genuine reason for having been unable to or having not provided the required information immediately at the time of the decrease in assessable household income, consideration may be given to backdating the decrease in rent to the time of the change in assessable household income.

3.15 Effective dates for rent charges

Advice type	Change in household income	Effective date
Tenant supplies required documentation for a rent and income review.	Nominal increase in household income.	Effective date as notified during the rent and income review. Centrelink entitlement as at the commencement of the new rental subsidy period.
Tenant supplies required documentation in response to a rent and income review.	Decrease in household income.	Date as notified of change by Tenant, using the closest date.
Tenant supplies required documentation in response to a rent and income review.	Real increase in household income.	Date of change in household income is the nominal date.
Tenant does not return rent and income review documentation within required time.	N/A	Rent increase to market rent, effective from the date provided as the return date for the rent and income review forms.
Tenant supplies new household income details, on own volition or as requested. Not during review.	Nominal increase in household income.	No change to rent is made until the rent is reviewed.
Tenant supplies new household income details, on own volition or as requested. Not during a review.	Decrease in household income.	Date as notified of change by Tenant using the closest date.
Tenant supplies new household income details, on own volition or as requested. Not during a review.	Real increase in household income.	Date of change in household income is the nominal date (add 14 days).

3.16 Real increase in household income

For the purpose of this section, a real increase in household income shall mean all increases in income that could not be considered as a nominal increase. Such circumstances will include, but not be limited to:

- An additional resident who receives an income occupying the Property;
- Substantial changes in Centrelink benefits not considered a nominal increase in income;
- Additional income being received from sources, other than those previously specified, resulting in an increase in the total assessable household income that could not be considered to be in line with inflation.

The effective date for a rent adjustment (due to a real increase in assessable income) will be the date of the increase of income, and unless the Tenant is eligible to partake in the Tenant Employment Support Scheme (see TESS Policy).

3.17 Nominal increase in household income

For the purpose of this section, a nominal increase in household income shall mean where the increase in the assessable household income has been due to:

- Inflationary adjustments made by Centrelink to a household member's pension or benefit;
- Adjustments made by Centrelink to a household member's benefit as a result of additional children being born;
- Inflationary or usual wage increases received by a household member;
- A household member (not the Tenant) receiving no real increase in income, however the assessable household income has increased as a result of Evolve housing rental assessment Policy, e.g. household member turning 18 but still receiving the same amount of income.

3.18 Fluctuations

Where a Tenant's income varies and it is not considered feasible to consistently change the Tenant's rent assessment, it is possible to average the Tenant's income over a six month period for the purposes of rent assessment.

3.19 Minimum rent

The minimum amount of rent a Tenant will pay is five dollars (\$5.00) per week. This will generally occur where a Tenant or household member enters a nursing home, rehabilitation centre, respite care, refuge (or other safe place) or are in custody and they are required to pay for that accommodation.

- Tenants must substantiate all claims for the minimum \$5.00 per week rent;
- Minimum rents are only for periods of one month at a time up to a maximum of three months (12 weeks);
- Any extension of time must be approved;
- If the period is in excess of three months, the Tenant should be requested to surrender their tenancy.

3.20 Assessing less than a statutory rate

Evolve Housing will assess people who receive an income that is less than the Newstart 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, including Commonwealth Rent Assistance (CRA). This includes people who receive wages or salaries, or who are self-employed.

Evolve Housing has the right to reject an application for rental subsidy if the Tenant or household member does not have income continually for a period of 12 months.

3.21 Assessing a reduced statutory income

In some instances, a Tenant 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;
- Receive a Newstart Allowance, have not sought work and have become ineligible for further payments for a specified period;
- Have received compensation or other lump sum payment, or Centrelink deems them to have sufficient resources, and Centrelink expect the person to use those resources for living expenses;
- Have breached Centrelink requirement or are repaying a Centrelink debt.

In these situations, Evolve Housing will assume that a Tenant or household member receives a statutory income and will base the rent calculation on the statutory payment to which that person would otherwise be entitled including Commonwealth Rental Assistance (CRA).

Evolve Housing has the right to reject an application for rental subsidy if the Tenant or household member does not have income continually for a period of 12 months.

3.22 Assessing a refugee

A household member who is a refugee will be assessed for the purpose of a rental subsidy at \$5.00 per week. Every three months Evolve Housing will review the \$5.00 rent assessment and ask the Tenant to provide an update from the Immigration Department on the refugee status.

3.23 Assessing a sponsored migrant

A household member that is a sponsored migrant and is not receiving an income will be assessed for the purposes of a rental subsidy as though they receive the appropriate statutory benefit for their age and household composition. Commonwealth Rent Assistance (CRA) will not be included in this calculation.

3.24 Checking assessments

The assessment of all (100%) rental subsidies will be checked and approved by a second officer from within the Rent Review Team. Approval will be noted on the

assessment retained by Evolve Housing.

3.25 Failure to declare income

Under the Residential Tenancy Agreement, Evolve Housing has the right to seek termination of a Tenancy Agreement through the NSW Civil & Administrative Tribunal (NCAT), if there is a substantiated breach of the Agreement. Only NCAT can determine that a Tenant has breached an agreement.

3.26 Notification to Tenants

Tenants will be notified in writing of any changes in their assessed rent, including a copy of the rental assessment. Where the assessed rent results in an increase in the rent payable by the Tenant, Evolve Housing will ensure any action taken to increase the Tenant's rent does not breach the relevant provisions of the Residential Tenancies Act.

3.27 Legislation and compliance

Evolve Housing is able to charge rent in accordance with the provisions of the Residential Tenancies Act 2010.

3.28 Appeals and reviews of decisions

Tenants who may have concerns about the fairness or transparency of a decision or action taken by Evolve Housing are encouraged to discuss the matter with their Housing Manager in the first instance. The next step, if the Tenant still believes Evolve Housing has made an incorrect decision, is to lodge a formal appeal of the decision.

4. Definitions

- **Appeal** – a disagreement by a Tenant or Applicant with a decision made by Evolve Housing that affects their application for housing, or their tenancy, and which the Tenant or Applicant has requested be reviewed.
- **Commonwealth Rent Assistance** - a non-taxable income supplement payable to eligible people who rent in the private rental market or community

housing.

- **NCAT** - NSW Civil & Administrative Tribunal is an independent NSW statutory body which resolves a wide range of disputes including tenancy and other residential Property issues. NCAT decisions must be followed and are enforceable.
- **Non-rent Charges** - any charges that are not rent, for example water charges or charges to repair damage to Property. Non-rent Charges are paid separately to rent.
- **NSW Community Housing Rent Policy** – a document produced by the NSW Department of Family and Community Services (FACS), which sets out NSW Government’s requirements for rent policies operated by community housing providers in NSW.
- **Property** – the Property or residential premises described in the Residential Tenancy Agreement between the Landlord and the Tenant.
- **Resident** – a person who resides on a permanent basis in a Property which is owned or managed by Evolve Housing under a Residential Tenancy Agreement (includes a Tenant)
- **Residential Tenancy Agreement (or Tenancy Agreement)** – a written agreement between a Landlord and a Tenant, which governs the terms on which that Tenant occupies the Property described in the Agreement.
- **Social housing** - secure, affordable housing for people on low incomes who need accommodation. Social housing includes public housing properties owned or managed by Housing NSW and the Aboriginal Housing Office, and community housing properties managed by not-for-profit, non-government registered Community Housing Providers such as Evolve Housing.
- **Tenant** – a person who signs the Residential Tenancy Agreement with Evolve Housing and who has certain rights and obligations under that Agreement.
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5. Related Resources

- Evolve Housing Complaints Management Policy
- Evolve Housing Rental Bonds Policy
- Evolve Housing Tenant Employment Support Scheme (TESS) Policy

- NSW Community Housing Rent Policy
- Residential Tenancies Act 2010

This Policy is subject to change from time to time at the discretion of Evolve Housing. Any approvals required under this Policy will be granted in accordance with the Evolve Housing Delegations of Authority Policy.

Further information on this Policy and other topics, is available on the Evolve Housing website www.evolvehousing.com.au. If you have any specific questions regarding this Policy, please contact Evolve Housing on 1800 693 865 or email your enquiry to myevolve@evolvehousing.com.au

More information

For more information about your tenancy go to www.evolvehousing.com.au