

Establishing and maintaining tenancies

Rent and rebate policy

Policy section: 1.0

Policy: 1.2.3

Section name: Establishing and maintaining tenancies

Document name	Rent and rebate
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1 Purpose

- 1.1 To outline how Mission Australia Housing (MAH) sets rent.
- 1.2 To outline requirements for staff who assess the income and assets of tenants and their household in order to set their rent.
- 1.3 To outline requirements for tenants and their household where they have their rent assessed.

2 Related policies

- 2.1 This policy is to be read in conjunction with the:
 - 2.1.1 Rent Reviews Policy, which outlines how MAH determines the **market rent** value of properties the roles and responsibilities of tenants and staff during the rent review process.
 - 2.1.2 Rental Fraud Policy, which outlines the processes used by Mission Australia Housing (MAH) to investigate and manage incidents and suspected incidents of rental fraud.
 - 2.1.3 Debt Management Policy, which outlines MAH's tenant debt management processes.

2.1.4 Absence from Dwelling Policy, which outlines the responsibilities of tenants of MAH who take a planned or unplanned absence from their property, including with regard to rent payment.

3 Scope

3.1 This policy applies to staff responsible for managing properties and tenants of MAH.

4 Guiding principles

4.1 MAH encourages a consistent approach to charging rent in all operating states. Rent is set in accordance with the community housing guidelines of operating states.

4.2 The organisation works with tenants to support them to pay all charges relating to their tenancy.

4.3 Tenants are kept informed of how their rent is set, charged and reviewed.

4.4 Rent is regularly reviewed to ensure that tenant rent is affordable

4.5 Tenants are informed of their right to appeal organisational decisions relating to the rent they are charged for their property.

5 Policy

5.1 All properties that are owned or managed by MAH have a market rent value and this is the maximum amount of rent that can be charged for a property. The market value of the property will be shown on the lease or rooming accommodation agreement.

5.2 Tenants housed under an affordable housing program will be charged rent at a reduced percentage of the market rent for their property (up to 80%) or as a percentage of their assessed individual or household income.

5.3 As a starting point, MAH charges market rent for its properties. Tenants housed through a social housing or supported tenancy program may be eligible to apply for a **rental rebate**. A rental rebate will generally cap the rent they are required to pay for their property to approximately 25% of their assessed individual or household income plus 100% of the maximum entitlement for Commonwealth Rent Assistance (CRA).

5.4 MAH charges tenants rent on a weekly basis.

5.5 Wherever MAH sets rent, it will take into consideration :

- All identified household members
- Amount of household income
- Types of household income
- Relationship of household members to the tenant or tenants

- Age of household members.

- 5.6** Tenants must provide their household income and household composition details to MAH wherever they are requested, and wherever their circumstances change, in order to ensure that rents are charged in line with state guidelines and are affordable for them, their household and situation as per the [Rent Reviews Policy](#).
- 5.7** Tenants who do not provide up to date information for their household where they are required or requested to, may have their rental rebate removed and may be required to pay market rent until the required information is provided.
- 5.8** Any personal information collected by MAH in order to determine the rent that will be charged to a tenant and their household will be held in strict confidence unless disclosure is required under law, or consented to by the person or persons subject of that information as per the [Privacy and Confidentiality Policy](#).
- 5.9** Staff will ensure tenants are informed of organisational decisions relating to their rent in writing and in advance of any change to their rent.
- 5.10** Staff will work with tenants who experience difficulty paying their rent and where required will seek to enter them into a payment plan and make referrals to support organisations as per the [Debt Management Policy](#) and [Referrals to Agencies Policy](#).
- 5.11** MAH may, where tenants are in arrears, seek to recover costs through state based civil proceedings as per the [Debt Management Policy](#).
- 5.12** Staff will inform tenants of their right to appeal organisational decisions which relate to their rent as per the [Appeals and Complaints Policy](#).
- 5.13** Staff will keep accurate records of any forms completed and information supplied by tenants for the purpose of determining their rent. Staff will also keep records of any correspondence issued to tenants relating to their rent.

5.14 Special considerations

In exceptional circumstances which fall outside of the scope of this policy, including where a tenant takes an approved absence from their property to access alternative accommodation, rent may be set in accordance with a different set of rules derived from the [Absence from Dwelling Policy](#). In these exceptional cases, each situation is assessed individually and an alternative rent setting formula will only be applied with the approval of a Senior Manager.

6 Definitions

Assessable income: refers to income which is included in assessments undertaken by MAH in order to determine a suitable amount of rent for a tenant, and where applicable, for their household. Assessable income includes earned income and some government payments.

Household member: any person who resides in a property as an approved occupant. Unauthorised occupants and visitors are not considered household members as per the [Additional and Unauthorised Occupants Policy](#).

Market rent: the maximum rent that can be charged for a property. Market rent is an indicator of how much a property would be leased for in the private rental market.

Reduced rent: MAH charges a reduced rent in special circumstances, down to a minimum of \$5 a week, for a limited period to reduce hardship on tenants and household members. This is available on a one-off basis.

Rental rebate: a subsidy made available specifically to eligible tenants housed under social housing and supported tenancy programs. Tenants in receipt of a rental rebate will pay a percentage of their income as rent, up to the market rent.