



ACHL Rent Setting Policy (Version 1.0)

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1. Introduction

Rent setting refers to a system of setting rents to ensure that rents are in accordance with national and state-based requirements and obligations and the vision and mission of Community Housing Ltd. as an affordable social and community housing provider. Aboriginal Community Housing Limited (ACHL) practises clear and transparent processes when setting customer' rents.

ACHL aims to offer properties for rent at affordable rates, so that the rent a customer will pay is determined with consideration of the customers household income, the customers capacity to pay and relieves housing stress for our customers.

2. Principles of ACHL's Rent Setting Policy

2.1. Agreements with State and Federal governments

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

ACHL complies with Australian Taxation Office (ATO) requirements regarding rent setting, to ensure it maintains its charitable tax concessions.

2.2. Rent setting and gross household income

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

- 30% of gross household income inclusive of all sources, plus
- 100% of any Commonwealth or Department of Veterans Affairs Rent Assistance for which the customer is eligible, capped at the market rent of the property whilst ensuring compliance with ATO requirements.

ACHL may, at its discretion, charge a lower rent amount. This may be for a specified timeframe and/or in exceptional circumstances deemed appropriate by ACHL and the amended rent charge must be approved by the State Operations Manager/Housing Services Manager. This may also include employing incremental increases to support customers in transitioning to increased rent payable amounts that may be significant.

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

2.3. Rental Bonds

Where applicable, ACHL will take a rental bond at the start of a new tenancy, up to an amount equal to 4 weeks rent. All bonds will be lodged with and held by state Bond Authorities until such time as a tenancy ends and the customer 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 customer transferring to a different ACHL 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 customer. Should the bond amount on the new property be more than the original Bond held, the customer will be required to pay the difference which will be lodged with and held by the relevant state Bond Authority.

2.4. Communication regarding Rent Setting

Customers are advised under which rent program their property is managed and how their rent is calculated at the time they sign their tenancy agreement with ACHL. ACHL is committed to ensuring its customers understand exactly what their rent charge is and how it is calculated at all times.

To provide great service, ACHL requires its customers 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 assists is required to ensure ACHL customers continue to pay the correct amount and don't fall into rental arrears.

If customers have any queries, they are encouraged to contact their nearest ACHL office to discuss these in detail.

2.5. Rent Decreases

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

Any applicable rent decrease will be effective from the date ACHL was notified of the change in the customer's household income, and, provided all required documentation information and evidence has been received from the customer by ACHL within 7 days of notification, where practicable.

2.6. Backdating of Rent Decreases

Where a the customer has an acceptable and genuine reason for having been unable to provide the required documentation within the designated period of 7 days from the initial notification of change of circumstances, , consideration may be given to backdating the rent decrease to the time of the change in gross assessable household income.

Approval can be sought from the State Operations Manager/Housing Services Manager up to one month in arrears. Applications for the backdating of rent decreases of more than one month requires the approval of the National Manager Operations.

2.7. Rent and/ or Income Reviews

ACHL conducts Rent and/or Income Reviews for all each of its tenancies at least once per calendar year, according to program requirements and relevant legislation in its operating jurisdictions. During this process, the rent payable by the customer will be reviewed by assessing their gross household income, should they are 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 customer changing and may result in either an increase or a decrease, depending on their circumstances at the time of the review.

Customers will be notified in writing of the outcome of the review and any changes to the amount of rent they payable with adequate 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 customer.

2.8. Assistance for customers experiencing difficulties with rent

ACHL has developed a range of policies including its 'Hardship Policy', 'Sustaining Tenancies Policy' and 'Linking Tenants to Supports Policy', to assist customers 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.

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

2.9. Rent Increases when Household Incomes Changes due to Employment

ACHL seeks to assist its customers to increase their financial confidence and capacity to participate economically and in their communities. For customers who advise ACHL, outside of a Rent Review process, that their household income has increased due to the securing of employment, ACHL will provide a transition period of a up to 6 months before increasing the rent payable, if they are on an income-based rent.

3. Related legislation, industry frameworks and standards, ACHL policy and procedures

3.1. Standards

National Community Housing Standards Section 3 – Tenants Rights and Participation

Department of Human Services Standards
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Related legislation, industry frameworks and standards, ACHL policy and procedures (cont.)

3.2. Legislation

Aboriginal Land Rights Act 1983 No. 42 (NSW)
Housing Assistance Act 1996 (COM)
Housing Act. 1983 (VIC)
Housing Act 2003 (QLD)
Queensland Human Rights Act 2019

3.3. Residential Tenancy Acts

Residential Tenancies Act. 1997 (VIC)
Residential Tenancies Act 2010 (NSW)
Residential Tenancies Act 1987 (WA)
Residential Tenancy Act 1997 (TAS)
Residential Tenancies Act 1995 (SA)
Residential Tenancies and Rooming Accommodation Act 2008 (QLD)
Relevant Residential Tenancies Regulations for your state
Anti-Discrimination Act for your state
Equal Opportunity Act and Regulations for your state

3.4. Codes, frameworks and agreements

The National Affordable Housing Agreement
OOH, Homelessness Assistance Program Guidelines and Conditions Funding 2006-2009 (VIC)
2003 Commonwealth State Housing Agreement
Consumer Charter for Community Managed Housing and Homelessness Services
HASS Standards: Section 1 Upholding and Promoting Rights
Western Australian Community Housing Regulatory Framework– Performance Outcome 1 – Tenant and housing services
National Regulatory Code
Victorian Regulatory Framework
The Human Rights and Responsibilities Charter Act 2006 (VIC)
State funding and service contracts and agreements
Lease documentation as appropriate
State Government Communities Housing Sector Rental Policy applicable to your state
Funding deeds (as appropriate)
State Housing Authority Allocations framework (as applicable)

Related legislation, industry frameworks and standards, ACHL policy and procedures (cont.)

3.5. ACHL related policies and processes

ACHL Housing and Homelessness Policies and Procedures

ACHL Customer Promise

ACHL Tenancy Manual

ACHL Customer Feedback (Complaints and Appeals) policies and procedures

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