

04.07 HOUSING AND HOMELESSNESS SERVICE RENT SETTING AND RENT REVIEW POLICY

SCOPE

RQ Housing Portfolio, RQ Housing and Homelessness Staff

POLICY

RQ implements the RQ Rent Policy in line with the requirements of relevant legislation and regulations, and the Community Housing Rent Policy. The focus of this policy is to ensure that rent charged to RQ tenants is affordable and able to be paid and is applied fairly and consistently across all program areas.

PURPOSE

To provide guidelines on how to calculate rent and providing choice of rent payment methods to all RQ tenants. The objective of this policy is provide safe, secure, and affordable housing that supports the tenant's housing pathway plan, including optimal health, well-being, and life outcomes. This policy sets out the fair and equitable rents assessment consistent with public housing rental policy.

DEFINITION/S

RQ	Roseberry Qld
GM	General Manager Also refers to Acting General Manager
Workforce	Refers to all individuals providing service on behalf of RQ, such as Staff, Volunteers, Independent Clinicians, Consortium.
Staff	Refers to paid staff, graduates and student placements.
DCHDE	Department of Communities, Housing and Digital Economy
RTA	Residential Tenancies Authority
RTRAA	Residential Tenancies and Rooming Accommodation Act 2008
LTCH	Long Term Community Housing
CMSU	Community Managed Studio Units
EEH	Employment and Education Housing
AFFORDABLE	Affordable housing provided as Social housing with Ministerial Approval.

PROCEDURES

04.07.01 Objectives

This policy gives instruction on the rent setting methodology that supports the delivery of tenant outcomes and meets the objects, guiding principles and funded providers' obligations under the Housing Act 2003, Housing Regulation 2015, Social Housing Program Specifications and funding agreements.

The objectives are that rent is:

- affordable for tenants
- transparently explained to tenants
- assessed in a way that is fair and equitable and consistent with public housing rents
- set in a way that reduces financial disincentives for tenants to earn additional income

04.07.02 Rent and Contribution Calculations

Housing Types and Calculation of Rent

Tenants residing in a property managed by RQ as a Community Housing Provider under the Housing Act 2003 will have their rent assessed at:

04.07 HOUSING AND HOMELESSNESS SERVICE

RENT SETTING AND RENT REVIEW POLICY

- 25 per cent of the household's assessable income plus 100 per cent of Commonwealth Rent Assistance (CRA) entitlement. This includes long term community housing (LTCH)
- 28 per cent of the household's assessable income plus 100 per cent of CRA entitlement when the property or accommodation is furnished. This includes CMSU Housing.
- up to 30 per cent of gross household income plus 100 per cent of CRA entitlement for approved affordable housing delivered as social housing. This includes affordable and EEH housing, or
- 74.9 % of the market rent, if it is lower than the income-assessed rent. See 04.07.07 Determining Market Rent

The relevant State or Federal Government agency/ies Community Housing Rent Policy³ sets out the information needed to calculate the amount of rent based on the tenant's assessable income.

1. RQ will maintain records of the rent calculations it uses for tenants while the Tenancy Agreement is in force and will maintain the records for at least 6 months after the tenancy ends.
2. When a tenancy commences, RQ Housing Officers ensure that a verbal explanation of how the rent is calculated is provided to the tenant and a copy of the Rent Report is provided to the tenant once it has been generated from the Electronic Rent Calculator.
3. RQ Tenants are encouraged to ask questions and seek clarification wherever needed, particularly regarding rent calculations.
4. When calculating rent, RQ must ensure the calculation of rent payable is sensitive to the tenant and household's circumstances and not cause financial hardship, giving consideration to the cost of living and ability to pay. See 04.07.05 relation to financial hardship concession.

04.07.03 Proof of Income

1. Proof of income is required to ensure that accurate rent calculations are made. Proof of income may be in the form of:
 - a) Income Statement from Services Australia or Department of Veteran Affairs,
 - b) A tax assessment notice or audited statement or other suitable proof of income if self-employed,
 - c) Most recent payslip or written declaration from the employer,
 - d) Where a tenant has an irregular income the last 6 payslips are required to determine affordable rent for that household,
 - e) If proof of income is not provided for all eligible household members, RQ will charge the household market rent, until such time as the income information is supplied. The tenant's responsibilities regarding rent are set out in this policy, the RQ 04.08 Housing Rent Management Policy, the Tenant Information Kit and the Tenancy Agreement.

04.07.04 Income Assessment

Rent is calculated based on a tenant's assessable income. Assessable income is all monies received with some regularity or frequency that are not one-off payments for specific purposes or events, must be treated as income and included during rent assessment to determine rent payable by tenants. Assessable incomes include pensions, benefits and allowances, wages and work allowances, and other types of incomes. For a list of assessable versus non-

04.07 HOUSING AND HOMELESSNESS SERVICE RENT SETTING AND RENT REVIEW POLICY

assessable income types is referenced in Community Housing Rent Policy Fact Sheet Assessable and non-assessable income lists¹

For the purposes of income assessment for calculating rent, household members include all persons living in the accommodation, regardless of their age. The income for all household members is considered for rent assessment. Permanent part time household members may reside in the dwelling for up to 3 days in any one week before their income is included for rent assessment purposes.

04.07.05 Financial Hardship Concessions

To uphold the intent to be sensitive to the tenant and household's circumstances and not cause financial hardship, RQ will give consideration to the cost of living and ability to pay when calculating rent for each tenant.

If an RQ Housing Officer is able to demonstrate that a tenant's circumstances is such that any increase in rent will have a significantly detrimental effect on the tenant then application to the GM for a hardship rental concession can be made. Approval by the GM is required before an offer of rental concession or reduction is made to the tenant.

Review of this concession and the particular circumstances of the tenant will be undertaken six monthly.

04.07.06 Electronic Rent Calculator

1. RQ Housing Officers use the Electronic Rent Calculator² provided by the relevant State and/or Federal Government agency/ies to calculate the rent amounts.
2. Tenants are to provide RQ Housing Officers with relevant and up to date income information to be used to calculate rent at the commencement of the tenancy and when rent reviews are due.
3. Once the data has been entered into the Electronic Rent Calculator, RQ Housing Officers will print the Rent Report that advises on how much rent the tenant is expected to pay, including the expected amount of Rent Assistance. A copy of this report is provided to the tenant and a copy is maintained on the Tenant's file.

04.07.07 Determining Market Rent

1. RQ utilises the RTA website to obtain median rent prices to ascertain what the current market rent is. This information is required by the Electronic Rent Calculator when in the process of calculating rent for RQ tenants.
2. In some cases, a professional valuation may be sought to determine market rent.
3. Consideration must be given to GST exemption implications when determining market rent. For GST purposes, market rent is the estimated monetary worth of an asset on the open market at a particular time. It is based on the most valuable use of the asset (which may be different to how it is currently used). This calculation is used to determine the maximum charge of 74.9% of market rent.
4. Market rent for GST purposes may differ to market rent calculated in 04.07.07 (1).
5. Maximum rent charge to tenants is the lesser of market rent calculated at 04.07.07 (1) and 04.07.07 (3).

04.07 HOUSING AND HOMELESSNESS SERVICE

RENT SETTING AND RENT REVIEW POLICY

04.07.08 Rent Payment Options

1. RQ provides tenants a number of options to pay rent as follows:
 - a) **Cash payments:** Rent can be paid in cash each week/fortnight at 21 Dawson Road, Gladstone. This method is not a preferred method of payment; however RQ recognises that at times it is the most suitable for the tenants. If cash rent is received, RQ ensures that the cash is banked as soon as possible but definitely within 3 working days. Rent receipts are provided to the tenant immediately the cash payment is made.
 - b) **Direct Deposit:** Tenants can choose to pay their rent by direct deposit into the nominated RQ bank account. Each tenant is allocated a reference code to be used to identify rent when checking bank accounts on a regular basis and for when bank accounts are reconciled. RQ covers the cost of any direct deposits and this charge (if applicable) is not passed on to the tenant. The reference code is developed using:
 - 1st three letters of tenant surname
 - 1st letter of tenant first name
 - Unit/House number
 - 1st letter of street name (e.g. BATK5P)
 - c) **Centrepay:** Tenants can nominate to pay their rent using Centrepay through Services Australia. RQ Housing Officers provide tenants the required Centrepay documentation with completed section including information regarding the organisation. The tenant can take the information direct to Services Australia to have it processed or RQ Housing Staff will fax through to the required officer in Services Australia. This is the preferred option to ensure that the paperwork is lodged on time ensuring that rent payments are made in line with the tenancy agreement.

04.07.09 Guaranteed Rent Periods

1. RQ encourages tenants receiving a Services Australia or DVA income support payments to enter the workforce by providing a guaranteed rent period of six months following the commencement of employment. This means that for a period of six months the tenant's rent remains at the same level it was on the day before the tenant entered the workforce for a guaranteed minimum of six months.
2. The rent guaranteed period will apply to all tenants who advise RQ that a household member is entering the workforce.

04.07.10 Rent Reviews

1. RQ Housing Officers conduct annual rent reviews of all tenants in the community housing portfolio. The rent review is scheduled for the 12 month anniversary of their tenancy commencing with RQ
2. When a tenant advises of a change in income or household composition, this may trigger a rent review process and result in a change in rent.
3. A Notice of Rent Review and Request for Documentation will be sent to tenants at the time of rent review. This notice will contain:
 - The date the information is required by (usually a 4 week period is provided),
 - What documentation and information is required to be provided,
 - The process for rent review and dealing with the outcomes of the rent review.
4. Tenants are provided the opportunity to make an appointment with RQ Housing Officers to complete the rent review in the Housing Services Office. If tenants chose this method, they are advised to bring income information and any other relevant documentation with

04.07 HOUSING AND HOMELESSNESS SERVICE

RENT SETTING AND RENT REVIEW POLICY

them to the schedule meeting. The results of the rent review are provided to the tenant immediately and a formal letter of renewed rent assessment and outcomes is also sent to the tenant and a copy maintained on the tenant's file.

5. RQ Housing Officers will complete the rent review process upon receipt of the income information. Income will be assessed and rent re-calculated based on the new income information and current circumstances of the tenant. The tenants will be advised in writing of the outcome of the rent review including what the new amount of rent will be expected and what date the new rent amount should be paid from.

04.07.11 Rent Increases

Where the rent review process indicates that there will be an increase in the tenant's rent, the increased rent amount shall not be charged for two months after the tenant has been advised in writing, as per. relevant State and/or Federal Government agency/ies.

04.07.12 Rent Decreases

Where the rent is decreased, RQ Housing Services will immediately decrease the amount of rent charged and notify the tenant in writing of such a decrease and the date the change is made.

04.07.13 Services Australia/Centrelink Forms

1. Once the rent review process has been completed, RQ tenants will receive a copy of the updated Rent Certificate produced by the Department's Electronic Rent Calculator and updated Centrelink Forms which are to be completed, signed and dated. The tenants are able to take this information directly to Services Australia or RQ Housing Officer's will fax documentation to the local Services Australia office.
2. If tenant's request RQ Housing Officer's to fax documentation to Services Australia on their behalf, the officers will check documentation for the tenant to ensure that it has been completed accurately and completely.

04.07.14 Notification of Changes in Income

1. Outside of the annual rent review process, it is the tenant's responsibility to advise RQ Housing Services of any changes to their assessable income.
2. As per the requirements of the Department's Community Housing Rent Policy, tenants should have their rents recalculated and decreased accordingly, immediately upon reporting a decrease in income to RQ Housing and Homelessness Service.
3. Increases in household income will be captured in the next annual rent review process.

04.07.15 Appealing and Reviewing Decisions

RQ tenants may appeal a rent increase or any other decision made in line with this policy at any time. Tenants are able to request that the RQ Housing Officer reconsider the decision and where necessary to redo the rent calculation. If the tenant remains unhappy with the decision, the RQ 02.17 Complaints, Disputes and Appeals Policy and the RQ Housing Services Information Sheet on How to Make a Complaint or Appeal a Decision is provided to the tenant.

ACCOUNTABILITY

RQ Housing Officers
RQ Housing and Homelessness Manager

EVALUATION METHOD

Failure by an employee to act in accordance with the requirements of this policy will constitute a breach of RQ's Code of Conduct. This document is unsecure when printed. Unauthorised modification or duplication of this document is prohibited.

04.07 HOUSING AND HOMELESSNESS SERVICE RENT SETTING AND RENT REVIEW POLICY

Review of RQ policies as [per 01.10 Policy and Procedure Development and Review Policy](#).
[02.23 Quality Evaluation & Improvement Policy](#)

Annual Tenant Survey

Annual External Stakeholder Survey

[Community Housing Rent Policy Fact Sheet Assessable and non-assessable income lists](#)

[Electronic Rental Calculator²](#)

LEGISLATIVE COMPLIANCE

[Queensland Housing Act 2003](#)

[Queensland Housing Regulation 2015](#)

RELATED DOCUMENTS

[DCHDE Housing Services Social Housing Eligibility Criteria](#)

[DCHDE Social Housing Program Specifications](#)

[Community Housing Rent Policy³](#)

[02.17 Complaints Appeals and Disputes Policy.docx](#)

DOCUMENT CONTROL

Category	Current document details
Document owner	RQ Board
Current author/s	Sherrie Stringer
Status	Approved
Version number	V7.0
Timeline for review	Annually or as required
Date of next review	February 2025
Storage	Document Library/Policies/Service Delivery Housing

Review Date	Version	Summary of Changes	Approved By and Date	
July 2012	V1.0		Management Committee	
March 2014	V2.0		RQ Board	16/04/2014
April 2015	V3.0		RQ Board	
May 2018	V4.0		RQ Board	05/06/2018
16/03/2020	V5.0		RQ Board	27/06/2020
03/02/2023	V6.0	Minor changes	General Manager	13/02/2023
16/12/2024	V7.0	Community Housing policy changes	RQ Board	26/12/2024