Policy Manual Establishing and Maintaining Tenancies

Policy 3.6 Rent and Income reviews

Policy Title: Rent and Income Reviews

(Community Housing Tenancies)

Policy Number: 3.6 Version Number: 3.6.3 Supersedes Number: 3.6.2

Approved by: Wentworth Board of Directors

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Review Date: April 2016

### 1. Purpose

1.1 The purpose of this policy is to provide a clear framework for the regular review of market rents and for the assessment and review of eligibility for subsidised rent.

1.2 This policy refers to tenants housed in community (social) housing only. Please refer to the Affordable Housing Policy for calculating and reviewing rent in Affordable Housing properties.

#### 2. Policy

- 2.1 Wentworth charges a subsidised rent to ensure housing is affordable to tenants. Wentworth sets rents according to the NSW Community Housing Rent Policy (NSW CHRP).
- **2.2** Under this policy:
  - Wentworth charges market rent for its dwellings. These are reviewed annually.
  - All Tenants are eligible to apply for a subsidised rent and will be charged rent in accordance with the NSW CHRP.
  - The tenant pays the subsidised rent to Wentworth Community Housing.
  - Where a tenant is assessed as eligible for Commonwealth Rent Assistance Wentworth will assess at 100% when calculating the rent.
  - The subsidised rent will not exceed the market rent of a property
- 2.3 Wentworth will undertake rent reviews every six months to ensure that tenants are paying the correct rent.
- 2.4 Tenants who fail to supply verification of household income by the due date will no longer be eligible for a rent subsidy and will be required to pay market rent.
- 2.5 It is the tenant's responsibility to advise their community housing provider of any change in their income and/or family circumstances within 14 days of the effect of that change.
- Rental Fraud occurs when a tenant fails to notify Wentworth of a change or deliberately makes a false or misleading statement about the household income. Wentworth will cancel or adjust (and backdate) the subsidised rent when it becomes aware that a tenant is receiving a rent subsidy to which they are not entitled.

#### 3. General Principles

- **3.1** Wentworth will ensure that tenants are:
  - informed about how rents are set, calculated and reviewed
  - informed of the amount of their subsidised rent and each time there is a change during the tenancy

- provided with a copy of the rent subsidy calculation
- Informed about how to appeal any decision regarding their rent subsidy calculation.
   See <u>Appeals Policy</u>

#### **3.2** Wentworth will:

- use standard forms for collecting and assessing rental information
- keep copies on the tenant file of all calculations, declarations, proof of income and letters sent to the tenant
- routinely check that our procedure is reliably and consistently applied

## 4. Responsibility

Rent Review Officer Assess eligibility and calculate subsidised rents within policy

and procedures

Review subsidised rents when clients circumstances change

Finance and Corporate Services

Manager

Monitor rent review process and ensure all tenant rents are

reviewed no less than once every six months

Oversee regular audits of the Rent and Income Review Policy

#### 5. Definitions and References

RTA • Residential Tenancy Agreement

Related policyNSW Community Housing Rent PolicyAppeals Policy

Proof of Identity Policy

# 5.1 Effective dates of rent review assessments

Rent and Income review		Effective Date
Tenant supplies required		The effective date for an application of an
documentation in		increase in rent will be the date as advised
response to Rent &		in the initial notification by Wentworth in the
Income review		Rent Review letter.
Tenant does not return	Increase to	The effective date for an application of
Rent & Income Review	Market Rent –	Market rent will be the date as advised in
documentation	cancellation of	the initial notification by Wentworth in the
	rent subsidy	Rent Review letter.
Outside Rent and Income Review – Tenant informs Wentworth of Change in Circumstance		
Tenant supplies new		The effective date for an application of a
household income details		decrease in rent will be the same date
of own volition or as		Wentworth was notified in writing of the
requested due to change		change of the tenant's household income.
in circumstances		The effective date for an application of an
		increase in rent will be 28 days hence from
		the date of the increase in assessable
		income.
Exceptional Circumstances – income or circumstances changed and tenant failed to notify –		
due to hardship		
Tenant provides		Upon review of evidence and in
documentary evidence		determination of eligibility, the effective date
that supports the changes		of a decrease will be the date the change
		occurred.