

## 1. Purpose

1.1 This policy sets out the guidelines for the setting of rent for Hume Group's Social Housing properties, including general and Transitional Housing, Home Purchase Assistance Scheme (HPA) and Crisis Accommodation, in a fair and transparent manner.

## 2. Scope

2.1 This policy applies to

- i. all Social Housing properties where there is a Residential Tenancy Agreement in place.
- ii. properties managed under the Temporary Accommodation Program (Supported or Crisis Accommodation) where there is an Occupancy Agreement in place.

2.2 This policy excludes affordable housing properties and specialist disability accommodation.

2.3 This policy applies to all Hume employees handling Social Housing, Temporary Accommodation, Together Home, Transitional Housing including Supported Housing or any such programs which may be implemented from time to time.

## 3. Policy Statement

3.1 Hume Group is committed to providing suitable housing for its Customers and supporting Customers in sustaining their tenancies.

3.2 This policy aims to provide clear and consistent guidance on rent setting for all Customers that this policy applies to.

3.3 The Policy will explain how rent is calculated including Market Rent for properties and any subsidies.

3.4 Hume Group will ensure we meet our legal obligations in calculating rents and in completing 6 monthly rent reviews.

3.5 Customers are responsible for advising of any change in circumstance within 21 days and for providing all income details and documentation for their household.

3.6 Hume Group will comply with the requirements of the [Residential Tenancies Act 2010](#) and the [NSW Community Housing Rent Policy](#).

## 4. Rent Overview

### 4.1 Market Rent

4.1.1 Market Rent is the base rent for all Hume Group properties and is the rent shown in the Residential Tenancy Agreement Customers have with Hume Group entities.

4.1.2 Hume Group may only vary the Market Rent in accordance with the Residential Tenancies Act.

4.1.3 For Capital Properties, Hume Group must use the Department of Communities & Justice's (DCJ) Rent Report to establish Market Rent. Hume Group uses the Median rent data relevant to the type and location of the property. Hume Group reviews Market Rents on Capital Properties annually.

4.1.4 For leasehold properties, the Market Rent is set by the property owner/agent and is the amount Hume Group pays for the property. Hume Group updates Market Rents for leasehold properties when the owner/agent advises of a rent change. Hume Group will provide Customers written notice as required by the Residential Tenancies Act.

### 4.2 Maximum Rent

4.2.1 Hume Group sets a Maximum Rent once Market Rent has been established. The Maximum Rent cannot exceed Market Rent.

- 4.2.2 Maximum Rent is the lower value of the Market Rent or 74.9% of the Australian Tax Office (ATO) benchmark market values for long-term accommodation.
- 4.2.3 Hume Group will update the Maximum Rent when there is a change, and it will always be set less than or equivalent to the Market Rent.

### 4.3 Subsidised Rent

- 4.3.1 Customers can apply for a Rent Subsidy to reduce the amount of rent payable. The Rent Subsidy is based on the household’s gross assessable income and Rent Assistance entitlements and is assessed by Hume Group.
  - 4.3.2 If a Customer is eligible for a Rent Subsidy, Hume Group will charge the Subsidised Rent instead of the Market Rent. The Rent Subsidy is the difference between the Market Rent and the Subsidised Rent.
  - 4.3.3 Subsidised Rent varies according to the type of program and income levels of Customers and their households.
  - 4.3.4 Rent Subsidies must comply with the current funding guidelines for each housing program and the [NSW Community Housing Rent Policy](#). The percentage of gross assessable income charged varies according to the housing program and the household composition.
  - 4.3.5 Hume Group will regularly review the ongoing eligibility of a Customer for a Rent Subsidy. Hume Group will initiate and undertake a general income and rent review for all Customers covered by this policy at least every six (6) months.
  - 4.3.6 Customers will be given 21 days to submit a complete Rent Subsidy Application and provide acceptable proof of income for all household members.
- 4.4 Rent Subsidies are capped at the Market Rent for the property.
  - 4.5 Customers who fail to supply details and verification of household income prior to the due date for return of the required information will no longer be eligible for a Rent Subsidy and will be charged Market Rent until the date the required documentation is received.
  - 4.6 Customers who receive a Rent Subsidy must also advise Hume Group of any changes to their income and/or household circumstances at any time during their tenancy. This information must be provided within twenty-one (21) days of the change of circumstance, even if they participate in the Centrelink Income Confirmation Scheme.
  - 4.7 Where a Customer submits an incomplete application and does not provide all the supporting income information for all household members, the Rent subsidy will be cancelled and Market Rent will be charged.

## 5 Calculating and Setting Rent for Social Housing

- 5.1 Hume Group will regularly review a Customer’s eligibility for a Rent Subsidy and the rent assessment rate to apply when calculating rent. Hume Group will calculate the amount of rent to be charged based on the gross assessable income of the household.
- 5.2 Households on low or very low incomes will pay between 25 to 30 per cent of their gross assessable income in rent.

5.3 The following table shows the percentage of gross assessable income payable by Customers eligible for a Rent Subsidy:

**Table 1: Social Housing - Percentage of Income Payable as Rent by Household Members**

INCOME	RATE
The Customer, their spouse or live-in partner, irrespective of their age	25-30%
All other persons living in the household who are aged 21 years or over	25-30%
People living in the household aged 18 – 20 years who are not the Customer, their spouse or live-in partner	15%

Family Tax Benefit Part A & B	15%
Other Household Members under 18 years who are not the tenant, their spouse or live in partner	Nil
Household's Rent Assistance entitlements	100%

5.4 Once a household's gross assessable income has been calculated, Hume Group will determine the household's eligibility for a Rent Subsidy and the rent assessment rate to apply by comparing the income to pre-determined household income limits set by DCJ. Hume Group will use the household income limits set out in DCJ's website in the *Tenancy Charges and Account Management Policy Supplement*, Table 1: Household member types and weekly income allowance.

5.5 Hume Group will use the following rent assessment rules to confirm eligibility for a Rent Subsidy and determine the rent assessment rate:

Gross assessable household income is less than the moderate income limit	Household contribution is 25% of income
Gross assessable household income is: <ul style="list-style-type: none"> <li>• Equal to or more than the moderate income limit, and</li> <li>• Less than the 30% limit</li> </ul>	Household contribution is between 25% and 30% of income
Gross assessable household income is: <ul style="list-style-type: none"> <li>• Equal to or more than the 30% limit, and</li> <li>• Less than the subsidy eligibility limit</li> </ul>	Household contribution is 30% of income
Gross assessable household income is equal to more than the subsidy eligibility limit	Rent payable is the market rent for the property. These households will not be entitled to a rent subsidy.
Household contribution plus CRA is calculated as being more than the market rent	Rent is market rent

5.6 When a Customer is not eligible for a Rent Subsidy, Market Rent applies from the date the Customer is deemed ineligible.

#### 5.6.1 Home Purchase Assistance Scheme

- The Home Purchase Assistance Scheme (HPA) assesses 25% of household income up to but not exceeding Market Rent. Refer to Appendix 1 for the assessment rates for HPA.
- Rent assistance is assessed and maximised at 25%.

#### 5.6.2 Temporary Accommodation Program (crisis accommodation)

- Temporary Accommodation Program Customers is managed in partnership with DCJ and are not subject to the NSW Community Housing Rent Policy.
- Occupancy fees are calculated in place of rent and are fixed based on the Customer's Centrelink income and household complement.
- Refer to Appendix 2 for all information relating to the Temporary Accommodation Program.

## 6 Rent Assistance

6.1 Rent Assistance is assessed and maximised at 100%.

6.2 Hume Group will calculate the amount of Rent Assistance (RA) that the household is expected to receive based on the rent to be charged to the Customer.

6.3 The final Household Subsidised Rent will include the household contribution, based on household income, plus the full amount (100%) of Rent Assistance.

6.4 If the calculation by Hume Group varies from Centrelink's assessment, Hume Group will ask the Customer to provide documentation from Centrelink showing the actual amount received. Hume Group will review the documents provided and the calculation and will advise the Customer of the outcome of the review.

## 7 Assessable Income

### 7.1 Proof of Income

- When applying for a Rent Subsidy a Customer must declare all assessable income and provide proof of the amount received for themselves, their spouse/live in partner (even if they are under 18 years of age) and for other household members aged 18 years and over.
- Proof of income must be original. A guide to acceptable proof of income is set out in Appendix 3. (For further details refer the Social Housing Rent Procedure)

### 7.2 Informing New Customers about Rent Setting Policies

- 7.2.1 Hume Group will verbally inform all new Customers of the relevant rent setting policy at the time of offer of a property.
- 7.2.2 At the time of sign-up Hume Group will provide information in writing regarding the rent review process and Customers will be advised of their obligation to inform Hume Group within 21 days of any changes in their circumstances.

## 8 Rent Payment

### 8.1 Rent Payment at Commencement of Tenancy

- 8.1.1 At the commencement of a new tenancy, the rent payment process will be explained to the Customer. Customers will be required to pay two weeks rent in advance at the time of signing their Tenancy Agreement together with rental bond as per Hume Group's [Rental Bond policy](#).
- 8.1.2 The rent may be paid weekly or fortnightly and it is the Customer's responsibility and obligation to ensure that rent is paid in advance in accordance with the Residential Tenancy Agreement.

### 8.2 Rent Payment Options

Rent can be paid using the following methods:

- Centrepay deduction direct from the Customer's Centrelink payment
- BPAY using their unique BPAY Biller Code and Reference
- Online Banking
- In person at Hume's offices with a debit or credit card
- Over the phone with a credit card
- HumePAY on humehousing.com.au

### 8.3 Centrepay Deductions and varying payments

Customers can provide a Multiple Consent and Authority which gives Hume Group permission to vary a Customer's Centrepay deduction amount when the rent changes ensuring that rent payments are kept current.

## 9 Rent Subsidy Reviews

Rent Subsidy reviews can be initiated by Hume Group or by the Customer.

### 9.1 Rent Review initiated by Hume Group

9.1.1 In accordance with the [NSW Community Housing Rent Policy](#) Hume Group will review the level of rent paid by a Customer at least every six months.

9.1.2 Customers will be notified in writing when Hume Group is commencing an income and Rent Subsidy review.

9.1.3 Each Customer is responsible for collecting the income details of household members and providing these details to Hume Group so that their rent can be assessed.

9.1.4 Customers will be given 21 days to submit a completed Rent Subsidy Application and provide acceptable proof of income for all household members.

9.1.5 If a Rent Subsidy Application and acceptable proof of income is not received within 21 days Market Rent will be charged with an effective date of the rent change date advised in the Notice of Rent Review communication, or on the date of a change in circumstances.

9.1.6 The Market Rent will apply until the next Hume Group initiated rent review or the Customer requests a new rent assessment and submits a completed Rental Subsidy Application.

9.1.6 During a rent review Hume Group aims to complete Rent Subsidy assessments within 28 days of receiving the relevant documentation.

## 9.2 Change in Circumstances

9.2.1 Hume Group will recalculate a Customer's rent when there is a change in circumstances. Customers are required to declare all changes to their household income and composition within 21 days of the date of change by submitting a complete Rent Subsidy application.

9.2.1 For the purposes of Rent Subsidy reviews, Change in Circumstances include, but are not limited to:

- An adult household member moves into or out of the property
- The Customer or a household member stops or start works
- A substantial change in a Customer or household members income from employment - usually defined as at least a 10% change
- A substantial change in a Customer or household members Centrelink income. For example, payments change from JobSeeker to Carer Payment, or from Youth Allowance to Parenting Payment
- Additional income being received from sources, other than those previously declared, resulting in an increase in the total assessable household income that could not be considered in line with inflation

9.2.2 The following circumstances are not normally considered a Change in Circumstances for the purpose of Rent Subsidy reviews:

- Inflationary adjustments made by Centrelink to a Customer or household member's pension or benefit
- Inflationary or usual wage increases received by a household member – usually less than 10%
- A household member has had no real increase in income, however the assessable household income has increased as a result of Hume Group's Social Housing Rent Policy. For example: a household member turning 18 but still receiving the same amount of income or a household member turning 21 and the assessment rate changing from 15% to 25-30%

## 9.3 Failure to notify Hume Group of Change in Circumstances

9.3.1 A Customer may be receiving a Rent Subsidy to which they are not entitled to if they have not informed Hume Group about:

- all household members or a change to the people in the household
- all income received by household members (including the Customer)
- a change to the income of any household member (including the Customer)
- all financial interests of household members (including the Customer's) including, for example, shares, savings or an inheritance
- all property ownership interests of household members (including the Customer)

9.3.2 Customers must inform Hume Group of a Changes in Circumstances within 21 days of such change taking place. A Customer must also provide supporting documents and all relevant income details required to calculate the change in the Subsidised Rent.

9.3.3 If Hume Group is unable to confirm a Customer's eligibility for a Rent Subsidy or calculate rent from a change in circumstances, the Customer's Rent Subsidy will be cancelled and rent will be backdated.

9.3.4 Failure to advise Hume Group of Changes in Circumstances may result in formal tenant action. (See 4.28)

## 10 Rent during approved absences

### 10.1 Approved Absences

10.1.1 Customers must continue to pay their current rent during any period of absence from the property.

A Customer may apply for a reduction in rent for a maximum period of 3 months if they or another household member are:

- a. A sole occupant in a nursing home,
- b. Undertaking rehabilitation,
- c. In hospital for long term care,
- d. In respite care,
- e. In prison, or
- f. In a refuge or alternative accommodation due to escaping domestic violence or being at risk.

10.1.2 In exceptional circumstances this may be extended to a maximum of 6 months. This application has to be supported by documented evidence from the relevant authority and must be approved by the relevant General Manager or the Chief Operating Officer.

### 10.2 Requirements for Rent Reduction

10.2.2 Customers and household members will only be eligible for a reduction in rent if there are additional costs to the household or a reduction of income for the household during the period of absence.

10.2.3 Customers must provide all evidence supporting any additional costs such as accommodation costs or reduction in income, including the commencement and end dates for the temporary absence.

10.2.4 The rent charged to the household member for the approved absence will be \$20.00. Where the Customer is in prison and does not receive any income the rent charged will be \$5.00.

10.2.5 If there are other household members in the property during the absence, their income will continue to be included in the rent calculation.

10.2.6 The minimum rent does not apply to Customers/household members who are absent for other reasons such as holidays, caring for relatives overseas or assisting with immigration matters in their home country.

## 11 Customer Notifications- Market Rent Increase

11.1 In accordance with the Residential Tenancy Act 2010, the Customer will be informed in writing at least 60 days prior to any market rent increase.

11.2 Customers are advised in writing when Hume Group is commencing a Rent Subsidy review. Customers will be given 21 days to submit a completed Rent Subsidy Application and acceptable proof of income to support eligibility.

11.3 Customers will be notified in writing of any changes in their assessed rent and such notification will include a copy of the rent assessment. Where there is a rent increase, and particularly where the Rent Subsidy is cancelled, Hume Group will ensure that any action taken does not conflict with the Residential Tenancies Act 2010.

## 12 Appeals Processes

### 12.1 Rent Subsidy Assessment Appeals to Hume Group

If a Customer does not agree with the Rent Subsidy assessment, an appeal for a review of the assessment can be made. The appeal will be managed in accordance with Hume Group's [Compliment's, Complaints and Appeals Policy](#).

## 12.2 External Appeals

- If not satisfied with the results of a Rent Subsidy appeal, the Customer may lodge an appeal regarding eligibility for Subsidised Rent with the Housing Appeals Committee (HAC).
- Appeals regarding Market Rent can be lodged with the NSW Civil and Administrative Tribunal (NCAT).

## 13 Responsibilities

### 13.1

Role or responsibility	Position or delegation level
Developing the process for this policy	General Manager Housing and Impact
Ensuring policy aligns with compliance obligations	Manager, Risk and Compliance
Approving Policy	Board
Implementation	All employees
Policy review	General Manager Housing and Impact

## 14 Reporting

14.1 No additional reporting is required.

### Records management

14.2 Employees must maintain all records relevant to administering this policy in the relevant tenancy management system and in accordance with the Privacy policy.

## 15 Definitions

**Assessable Income** is all monies received by the Customer and all other household members for the calculation of rental subsidy. See [NSW Community Housing Rent Policy](#) for the current listing of assessable and non-assessable income.

**Capital Properties** are properties owned by Hume Group

**Change in Circumstances** – as detailed in clause 9.2

**Commonwealth Rent Assistance (CRA)** is a non-taxable rent supplement paid through Centrelink to individuals and families who rent in the private rental market or in non-Government authority housing.

**Crisis Accommodation** is short term accommodation (generally three months or less) for people who are homeless or people who are at risk of homelessness (does not involve a residential tenancy agreement and is not subject to the NSW Community Housing Rent Policy).

**DCJ** – Department of Communities and Justice

**Household members** are all people living in the accommodation, regardless of age or relationship.

**Customer/s:** A person or persons who have signed a residential tenancy agreement with Hume Group

**Employee** – a person who is employed by Hume

**Household Subsidised Rent** – the weekly rent amount which the Customer is required to pay after the household's gross assessable income and Rent Assistance entitlements have been calculated.

**Hume:** Hume Community Housing Association Company Limited

**Hume Group:** the corporate structure that includes Hume and Subsidiaries as created from time to time

**Occupancy Agreements** are used in Crisis Accommodation, specifically the *Temporary Accommodation Program*. An Occupancy Agreement is the agreement under which a person resides in refuge or Crisis Accommodation and is exempted from the operation of the Residential Tenancies Act 2010 by virtue of Regulation 14 (is not subject to [NSW Community Housing Rent Policy](#))

**Market Rent:** the amount of rent that could be charged for the property in the private rental market. Hume establishes market rent using rent data relevant to the type and location of the property, as published in the quarterly Rent and Sales Report by DCJ.

**Maximum Rent** is the maximum weekly rent amount Hume Group will charge a Customer.

**Multiple Consent and Authority** can be provided by the Customer and gives Hume Group permission to:

- Electronically access Centrelink Income Statements
- Advise Centrelink of new rent amounts for the purpose of adjusting the Customers and their respective household members' Commonwealth Rent Assistance
- Update payments made to Hume Group through Centrepay

**Non-rent charges:** Any charges that are not rent, for example, water usage, customer recharges

**Rent Subsidy or Rebate** is calculated as the difference between the assessed rent a household will pay, based on household income, and the Market Rent payable for the property.

**Residential Tenancy Agreement:** the standard agreement signed by the Customer and Hume Group at the start of the tenancy. This document is required by the tenancy laws

**Rental Bond:** the money paid by a customer at the start of the tenancy as financial protection for the landlord in case the customer breaches the agreement

**Social Housing:** properties made available to customers on low to moderate incomes and managed by Community Housing Providers or Department of Communities and Justice. Rent subsidies are available to customers to reduce their weekly rent payments

**Statutory Income** are funds received, (or funds entitled to be received) by a person from Centrelink, Education and Youth Affairs, Department of Veteran Affairs or any other authority by meeting the required eligibility criteria.

**Subsidiary:** a company in which Hume is the sole member or owns all or at least a majority of the shares.

**Rent Subsidy** is the difference between the Market Rent payable for the property and the Household Subsidised Rent.

**Supported Housing:** short term accommodation (generally from three to eighteen months) for people experiencing homelessness or exiting/transitioning from crisis accommodation (does use a residential tenancy agreement and is subject to Housing NSW's Community Housing Rent Policy).

**Together Home:** program to transition people who are street sleeping into stable accommodation

**Transitional housing:** housing for people who have been in housing stress or homeless, offered as a 12-month tenancy to support customers to return to the private rental market including fixed term Supported Housing

## 16 Related Legislation and Documents

[Residential Tenancies Act 2010](#)

[Residential Tenancies Regulations 2019](#)

[NSW Community Housing Rent Policy](#)

Specific funding or management agreements for Home Purchase Assistance Scheme (HPA)

[Delegations of Authority Policy](#)

[Rental Bond Policy](#)



## 17 Feedback and questions

17.1 Customers can provide feedback at any time by contacting the Customer Service Centre on 1800 004 300.

17.2 Hume employees may provide feedback about this document by emailing [feedback@humehousing.com.au](mailto:feedback@humehousing.com.au).

## 18 Approval and Review Details

Approval and Review	Details
Approval Authority	Customer Experience Committee
Policy Owner	Chief Operating Officer
Next Review Date	01/11/2027
Policy History	Details
Original Approval Authority and Date	Board 01/01/2008
Amendment Authority and Date	V001 - 01/01/2008 - Initial Issue V002 - 25/11/2008 - Update from HCHA Rent policy 2008 Introduction of CRA MAX V003 - 01/07/2009 - Update from HCHA Rent policy V004 - 04/04/2010 - Update from HCHC rent policy 2009 Affordable housing; Workers compensation V005 - March 2011 - Reviewed market rent definition V006 – 17/11/2013 - Full Policy review for simplification, Introduction of Maximum rent, Removal of Ceiling Rent, Added Sustaining the Tenancy, Rent Payment Options, hyperlinks to source reference documents V007 – 29/07/2017 - Minimum rent increased to \$20.00, removed Affordable Housing Rent, reviewed rent effective dates, clarification on dealing with special circumstances V008 - Removed SHSP. Reviewed rent effective dates. Updates to assessment of no income or reduced statutory income including treatment of people on certain types of visa V009 – 15 February 2020 - Full policy review, introducing ATO transitional benchmark market valuation methodology V0010 – 26/11/2024 – Has been reviewed to ensure alignment with the <a href="#">NSW Community Housing Rent Policy</a> and to separate the policy and procedure
Notes	

## 19 Appendices

Appendix 1: Determining subsidised rent in Home Purchase Assistance Scheme

Appendix 2: Setting Occupancy Fees for the Temporary Accommodation Program

Appendix 3: Proof of Income

Appendix 4: Special Conditions for Social Housing Management Transfer Customers

### Appendix 1:

#### Determining subsidised rent in Home Purchase Assistance Scheme

Home Purchase Assistance Scheme is subject to specific rent setting guidelines.

The following table shows the percentage of income payable by different members of a household:

## Percentage of Income Payable as Rent by Household Members

INCOME	RATE
The Customer, their spouse or live-in partner, irrespective of their age	25%
All other persons living in the household who are aged 25 years or over	25%
People living in the household aged 21 – 24 years inclusive who are not the Customer, their spouse or live-in partner	20%
People living in the household aged 18 – 20 years inclusive who are not the Customer, their spouse or live-in partner	12.5%
Family Tax Benefit Part A & B	11%
Other Household Members under 18 years who are not the Customer, their spouse or live in partner	Nil
Commonwealth Rent Assistance	25%

**Commonwealth Rent Assistance is assessed and maximised at 25%.**

### Appendix 2:

#### Setting Occupancy Fees for the Temporary Accommodation Program (TAP)

The Temporary Accommodation Program (TAP) is Crisis Accommodation and is managed in partnership with the Department of Family and Community Services.

Customers are placed on Occupancy Agreements.

TAP Customers are not subject to the NSW Community Housing Rent Policy.

Occupancy fees are calculated in place of rent and are fixed based on Customer's Centrelink income and household complement.

Occupancy fees and the maximum charge are set by the Department of Family and Community Services and Hume Group. The rates are reviewed regularly by DCJ and Hume Group. The rates stated below are effective 31 January 2019.

#### Occupancy Fees per week

##### Maximum Charge:

- Single Accommodation \$435
- Family Accommodation \$490

Single – no children	
Youth Allowance	\$75
Newstart	\$95
Pension	\$145
Single – with children *Plus \$30 for each child under 18	
Newstart	\$100

Parenting Payment	\$130
Pension	\$145

<b>Couple – with children</b> *Plus \$30 for each child under 18	
Newstart	\$85
Parenting Payment	\$85
Pension	\$110

A couple will pay individually according to their income. For example:

- A couple each in receipt of Newstart will pay 2 x\$85 plus \$30 for each child under 18.
- A couple - 1 on Newstart, 1 on Parenting Payment will pay 2x\$85 plus \$30 for each child.
- If 1 is in receipt of Newstart and the other DSP - they will pay \$85 + \$110 plus \$30 for each additional child under 18

**Assessing Wages**

25% of Gross income is assessed. If the Customer receives wages and Centrelink Income, they will be assessed as per Centrelink payments.

For additional household or family members over 18 refer to the rates for “single – no children”

**Reviewing Market Rent for Temporary Accommodation Program**

Market rent is the maximum occupancy charge for TAP dwellings. This is reviewed annually by the TAP team. As TAP Customers sign an Occupancy Agreement the program is exempted from the operation of the Residential Tenancies Act 2010 - Regulation 14.

Market Rent does not have any implications on the Customer in the property and there is no requirement to serve statutory notices to Customers residing in TAP properties.