



Rent Setting Policy

Purpose

This policy is to provide guidance about the rental calculation process and determination.

SAH offers a full and transparent rental calculation process for all tenants. We seek to ensure that the rent payable is affordable for the tenants, dependent upon their needs.

Scope

This policy applies to all housing programs and properties owned or managed by SAH. This policy will determine how rent setting will be conducted.

Policy Statement

The level of rent set for properties managed by SAH will be determined according to the type of property, funding program, location, and household income, and is subject to regular review.

Calculation of Subsidised Rents

1. Rents will be calculated on an Income Based Method.
2. Where a property is owned by, or agreements exist that bind us to specific government policies, the rent that is charged will be based upon the requirements of the jurisdiction for that property.

Income Based Rents

1. The following classes of properties will have rents set according to Income Based rent rules. The properties include:
 - Supported Housing properties
 - Social Housing properties
2. When calculating the rent, the income-based rent will be calculated pursuant to respective State Housing Authority Rent Setting Policies as follows:
 - 25% of household's gross income (assessed income types are determined by the respective State Housing Authority, some income types are calculated at 15%), plus
 - 100% of tenant's entitlement to Commonwealth Rental Assistance
 - Rent payable will not exceed 30 % of Household Income.
3. Maximum Rent Payable
 - Where the calculated rent is higher than market rent, then the rent will be limited to market rent .
4. Commonwealth Rent Assistance
 - SAH will calculate the rent based on the proof of the tenant's gross income which may include their understanding of whether or not the tenant is eligible to receive Commonwealth Rent Assistance (CRA).
5. Market Rent
 - Market rent will be determined by a market rent valuation provided by the State Housing Authority or the ATO benchmark market values.
6. In South Australia and Tasmania, if a household fails to supply income information when requested a household will be charged market rent in accordance with the State Housing Authority Rent setting policy.

Changes in Household Circumstances

1. If a tenant's household income or family circumstances change at any time, the tenant must advise SAH and provide evidence of this change.
2. If a tenant advised SAH of a change in household circumstance, SAH will:
 - re-assess the tenant's rent charges on this policy.
 - back-date an adjustment to the rent payable by the tenant to which the tenant is entitled in accordance with this policy.
3. If a tenant subsequently provides information about reduced household income after a rent review, changes will only take effect on and from the date the tenant contacted SAH and provided reasonable details of the household income. SAH may agree to back-date changes in rental subsidies in circumstances where SAH determines that the hardship provision of this policy applies. Please refer to the Arrears Management Policy and Hardship Policy.

Rent Reviews

1. South Australia conducts rent reviews twice a year as per State Housing Authority directive across long-term tenancies and Western Australia conducts rent reviews once a year for long term-tenancies. The aim of this process is to capture all changes to the tenant's income and household composition. It is essential that all tenants participate in this process, or they may be charged the market rent as a result.
2. Tasmania conducts rent reviews annually if there is a change in household income or circumstances. It is essential that all tenants participate in this process, or they may be charged the market rent as a result.
3. In the case of crisis and transitional accommodation, many tenancies will be of a short-term nature and therefore this rent revision will not apply.

Hardship and Special Circumstances

SAH has developed a range of policies including its 'Hardship Policy' and 'Sustainable Tenancies Policy', to assist tenants 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. SAH is committed to working with its tenants to assist and refer them to access appropriate supports to sustain their tenancy and maintain a stable and secure home. Tenants are encouraged to use the provisions of the supporting policies in the case of rent difficulties.

Additional Property Costs for Some Properties

1. Some SAH properties provide facilities and utilities to tenants that would normally be paid for by tenants in addition to rent.
2. Examples of these additional services include:
 - electricity
 - gas
 - water
 - gardening
 - other services or facilities made available to the resident or tenant
3. A charge in addition to rent is applicable where a property is either co-tenanted or is not separately metered and will be detailed as a separate charge or will be included in the rent amount. This amount will be reviewed annually to ensure tenants are being charged fairly.
4. In South Australia rent will include a flooring replacement levy charge for all properties under the State Housing Authority Master Agreement.

Discretion

State Managers have discretion to approve or revoke approval at any time outside of this policy framework, not including legislative requirements. The reasons for discretion must be documented on the tenant's record.

Tenants Right to Review Decisions

Tenants have the right to appeal process if they are unhappy with a decision made by SAH; where a tenant believes that the rent charged is not fair or appropriate. If a client is not satisfied with a decision, they should be encouraged to lodge a written request of appeal to the relevant SAH office. The case worker will then review the calculation of the rent and the special circumstances (if any) applying to the case.

For further information refer to the Appeals Policy.

Related Documents

Policy	Appeals Policy Arrears Management Policy Complaints and Feedback Policy Eligibility Policy Hardship Policy State Government Community Housing Rent Policy
Legislation	National Regulatory Code State Residential Tenancies Act and Regulation
Other Documents	Appeals Brochure Tenant Handbook

Document Control

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