

H02 Rent Setting Policy

1. Purpose

YWCA National Housing and YWCA Housing (YWCA) are committed to providing housing that is affordable and reduces housing stress as part of our mission as a social and community housing provider.

The purpose of this policy is to provide clear guidance on how YWCA set fair and affordable rents and assess subsidies for our residential property portfolio.

2. Scope

This policy applies to all residential properties owned or managed by YWCA, under all relevant programs. All relevant programs are managed according to agreements with State and Federal Governments, partners, or investors, where applicable. YWCA is required to observe its contractual and program obligations in relation to setting rents for all properties that are managed under such agreements.

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

The policy applies to both residential rental agreements and rooming house agreements. Unless stated otherwise, references to “renters/tenants” include rooming house residents and references to “tenancies” include rooming house residencies.

3. Policy Statement

YWCA provides subsidised rent to fulfil its social mission and to ensure that its housing relieves households from rental stress and sets fair and affordable rents for all of their properties.

Accordingly, YWCA will:

- set subsidised rents in accordance with established affordability benchmarks;
- communicate clearly, in a variety of formats, to applicants and renters as to how YWCA sets rent, assesses affordability, determines rental subsidies and reviews rent;
- respond appropriately to changes in household circumstances to prevent undue hardship; and
- comply with its contractual, legal, regulatory and policy obligations relating to affordability of rent.

YWCA may from time to time implement changes to this policy. The revised policy will apply to all tenancies on and from the date of the change.

YWCA will implement strategies to mitigate the effect of any changes of this policy on renters and households.

4. Definitions

Assessable Household Income	Means the total assessable household income is defined by the housing program and is calculated at; <ul style="list-style-type: none"> • 25% of household income and 15% FTB and Child support payments plus 100% CRA; or • 30% of household income, 15% FTB plus 100% CRA for Affordable Housing
Bond	Means an amount payable by a tenant/renter prior to the start of their tenancy to be held by the state bond administrator until the end of a tenancy. YWCA may charge up to no more than an amount equal to 4 weeks rent
Market Rent	Means the amount of rent charged if the property was in the private rental market
Maximum Rent	Means the maximum YWCA will charge for a property is; <ul style="list-style-type: none"> • State government specified property rent (if applicable); or • 74.99% of market rent
Rent, subsidy, and/or Income Review	Means an assessment of household income and/or composition, conducted during a tenancy, to align the rent payable by the renter/tenant with their current circumstances
Rent Payable	Means the amount the renter/tenant is required to pay per period as specified in their tenancy agreement or subsidy, and rent review. Rent payable will be the lower of Maximum Rent or Assessable Household Income, plus other charges, such as for water and electricity applying to the property (for example, in rooming houses and self-contained units which are not separately metered).
Rent Subsidy	If the Assessable Household Income is less than the Maximum Rent, the Rent Subsidy is the difference between the two amounts

5. How rent is set

Market Rent for a property is assessed annually by

- Obtaining a market rent assessment through full independent valuation or using indexation methodology,
- using the ATO prescribed market rent benchmarks, or
- the rent prescribed by the State Government.

YWCA then applies a subsidy to ensure that the rent is affordable. The subsidised rent is set with careful observance of the housing program applicable to the property to ensure that YWCA remain compliant with any obligations defined by its housing agreements. This can include, but is not limited to, rent set against total household income inclusive of all sources, using affordability benchmarks and/or against program guidelines/policies set by state and/or federal governments, partners or investors.

Some YWCA properties provide facilities and utilities to residents or renters/tenants that would normally be paid for by renters/tenants in addition to rent. Examples of these additional services include:

- electricity
- gas
- water
- central heating
- laundry
- other services or facilities made available to the resident or renter/tenant

The cost of providing these items is included in the calculation of the rent.

This additional part of the rent will reflect the actual averaged costs to YWCA of providing these facilities and utilities. The total rent charges levied to the renter/tenant will not be greater than for a similar room or property in a similar building in a similar location in the private rental market, that provides the same facilities and utilities.

6. Rent and/or Income Reviews

YWCA will undertake Rent and/or Income Reviews for all of its tenancies at least once per calendar year, depending on program requirements and relevant legislation in its operating jurisdictions. During this process, the rent payable will be reviewed by assessing the total household income and/or against maximum rent (or state government specified property rent if applicable), in line with the program guidelines for the property. These reviews may result in the rent payable amount changing, depending on the renter/tenant household circumstances at the time. Any additional property costs applicable to the property will also be reviewed and will be included in the rent amount payable.

Renters/tenants will be notified in writing of the outcome of the review and any changes to the amount of rent payable. Sufficient notice will be provided of any changes to take effect, as specified by any relevant legislation and/or contractual obligation under which the property is managed. This includes if there are no changes to the current amounts payable.

7. Rent calculation

YWCA calculates rent:

- For all new renters/tenants prior to the signing of a residential rental/tenancy agreement or Rooming House Agreement;
- Every 12 months during a tenancy, by reviewing the income of all people in the renters/tenants household;
- When a renter/tenant advises YWCA of a change to their circumstances or household composition, e.g. a household member moves in or out, a household member starts or ceases paid employment or there's been a change to their household income; and
- When a renter/tenant transfers between YWCA properties.

Renters/tenants and applicants are required to provide to YWCA reasonable evidence that establishes their total household income when requested by YWCA. This usually occurs;

- before being offered a tenancy with YWCA;
- when YWCA carries out an annual rent review;
- When a renter notifies YWCA of a change in their household circumstances; and
- When a renter transfers between YWCA properties

Failure to provide proof of income will result in any subsidy being removed and the maximum rent for the

property will be charged, plus any additional property charges (if applicable).

When calculating rent, YWCA determines the amount of assessable household income and the assessment rate for each income type for each household member. YWCA defines a household member as all people over the age of 18 living permanently in a property.

YWCA adopts the state government definitions of assessable and nonassessable income in the jurisdictions where it operates. YWCA assesses 100% of any Commonwealth Rent Assistance (CRA) the renter/tenant is entitled to.

Calculations are based on income a household member is entitled to receive from Centrelink regardless as to whether they receive the income or not. If written confirmation is provided from Centrelink to confirm that there is no entitlement, the income will be excluded.

The total amount payable by a renter/tenant can exceed maximum rent for a property where the subsidised rent plus the service fee is charged.

The rent payable after the subsidy has been applied, will be the lower of:

- Assessable Household Income based rent; or
- Maximum Rent
- Plus other charges, such as for water and electricity applying to the property (for example, in rooming houses and self-contained units which are not separately metered)

Household income-based rent is determined as:

- 25% of total household income, and
 - 15% of Family Tax Benefit and Child Support Payments
 - 100% of Commonwealth Rent Assistance (CRA)
 - Plus other charges, such as for water and electricity applying to the property (for example, in rooming houses and self-contained units which are not separately metered)
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- The rent payable for properties in the Affordable Housing program is:
 - Maximum Rent (up to 74.99% of Market Rent)
 - Rent payable will not exceed 30% of total household income
 - Plus other charges, such as for water and electricity applying to the property (for example, in rooming houses and self-contained units which are not separately metered)

8. Rental Bonds

Where applicable, YWCA may take a bond at the start of a new tenancy, up to an amount equal to no more than 4 weeks rent. Any bond taken will be lodged with and held by a state Bond Authority until a tenancy ends and the renter/tenant vacates the property. Any bond amount paid will be released, minus any amount owing or applicable deductions, as per state legislative requirements.

In the case of a renter/tenant transferring to a different YWCA 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.

Should the bond amount on the new property be more than the original bond, the difference is required to be paid by the tenant/renter and will be lodged with and held by the relevant state Bond Authority.

9. Rent decreases

If a renter/tenant households income decreases or changes to the household circumstances occur that impact the rent payable, the household income will be re-assessed, and the rent subsidy will be recalculated and made effective from the date the change to income occurred based on the documents provided. Renters/tenants must advise YWCA of any changes to their household income or circumstances as they occur.

10. Hardship

YWCA may, at our discretion, negotiate a reduced rate of rent with a renter/tenant who is experiencing a short-term crisis/emergency that directly impacts on their ability to meet normal rental payment commitments. Please refer to the YWCA Hardship and YWCA Sustaining Tenancies Policies for more information.

11. Complaints, Feedback and Appeal of decisions

YWCA has an effective and appropriate response in place to deal with complaints and ensures that accurate information and records of investigations are maintained. YWCA will ensure that privacy principles are followed at all times and tenant confidentiality is maintained throughout the incident management process.

YWCA welcomes anyone to query any decisions we make and/or ask questions about our work practices. If a customer wishes to provide feedback to YWCA and/or believes a decision made by us is incorrect, they can register their feedback and/or lodge an appeal using the YWCA Feedback and Appeals Policy.

Document Control Data	
Policy Framework	
Responsible Body	Chief Executive Officer
Accountable Officer	General Manager, Community Housing
Application	All employees of YWCA
Supersedes	All previous local policies
Associated documents	YWCA Housing Policies and Procedures YWCA Feedback and Appeals Policy and Procedures YWCA Privacy Policies and Procedures YWCA Customer Service Charter
Legislation, Frameworks, Standards, Codes and Agreements	Housing Assistance Act 1996 (COM) Housing Act 1983 (VIC) Housing Act 2003 (QLD) Housing Regulations 2015 (QLD) Housing Act 1982 (NT) Residential Tenancies Act 1997 (VIC) Residential tenancies & Rooming Accommodation Act 2008 (QLD) Residential Tenancies Act 1999 (NT)

	<p>National Affordable Housing Agreement</p> <p>Victorian Charter of Human Rights and Responsibilities Act 2006</p> <p>Queensland Human Rights Act 2019</p> <p>National Community Housing Standards</p> <p>Department of Human Services Standards (VIC)</p> <p>Consumer Charter for Community Managed Housing and Homelessness Services (VIC)</p> <p>National Community Housing Regulatory Code</p> <p>Victorian Community Housing Regulatory Code</p> <p>State based agreements between YWCA and statutory bodies</p>
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Approval and Amendment History			
Review period – 2 years			
Approval Date	Version	Amendments	Next Review
May 2022	1.0	Superseded Rent Setting	May 2024
July 2022	1.1	Updates to Market Rent assessment process, and charges	July 2024