Rent Setting and Review Policy

Women's Housing Ltd.

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1. Purpose

This policy outlines how WHL determines, sets and reviews Market Rents for properties and Rent Payable for renters.

2. Statement of commitment

WHL is committed to:

- fairness and transparency in rent setting and rent reviews
- provision of clear and accessible information to renters
- ensuring the accuracy of assessments
- assisting and supporting renters experiencing financial or other hardship
- ensuring the rights of renters and their household members are protected
- considering the potential impact of any proposed action on the renter's (and their household's) rights under the *Charter of Human Rights and Responsibilities (2006)*
- choosing the least restrictive measure available when taking action

3. Scope

This policy applies to all WHL housing programs.

4. Policy Overview

In Social Housing, renters do not pay Market Rent for their home. Instead, WHL calculates a Rebate for each renter based on several factors, such as:

- Assessable household income as defined by DFFH
- any additional services or common facilities provided, and/or
- any entitlement to CRA or a Family Tax Benefit.

Although the Rental Agreement might state the Market Rent, WHL will only require the renter to pay the Rent Payable which is the Market Rent minus the Rebate.

5. Rebate Calculation & Affordability

Specific Rebate calculation methods are set out in WHL's funding agreements with DFFH and Homes Victoria. WHL is required to use different methods depending on the funding sources and agreements. WHL will comply with all legal, contractual, and regulatory requirements when assessing Rebate eligibility.

For Social Housing properties that WHL manages which are not subject to rent setting agreements with State and Federal Governments, partners, or investors, WHL sets rent at:

- Up to 30% of gross household income inclusive of all sources, plus
- 100% of any Commonwealth or Department of Veterans Affairs Rent Assistance for which the customer is eligible.

In Affordable Housing, the Rent Payable is usually 74.99% of the market rent.

Applicants will be informed what method applies to any available property.
WHL will not offer a property to an applicant for housing unless it is satisfied that the Rent Payable is affordable and sustainable for that applicant.

6. Commonwealth Rent Assistance (CRA)

If an applicant is eligible for CRA, WHL will calculate the amount of CRA for each applicant based on current CRA amounts set by Services Australia. WHL will advise renters about how to access their CRA entitlements. In all cases where a renter is eligible for CRA, 100% of the entitlement is included in the Rent Payable.

It is the responsibility of the renter to claim their CRA entitlement. WHL will still require renters to pay the full Rent Payable even if they are not currently claiming CRA they are entitled to.

7. Bonds

WHL does not require a bond for its Transitional Housing Properties. A bond is required for all Community Housing and General Lease / Managed Service Agreement properties. WHL must be in receipt of the bond prior to renters signing a Rental Agreement. A prospective renter will be allowed 5 days to source a bond. Failure to do so may result in a forfeit of the housing offer.

WHL will manage Bonds in accordance with the Residential Tenancies Bond Authority (RTBA).

8. Rent in Advance

Renters must always be two weeks in advance of their current Rent Payable. WHL must be in receipt of two weeks rent in advance prior to renters signing a residential rental agreement. A prospective renter will be allowed 5 days to source the RIA. Failure to do so may result in the forfeit of the housing offer.

Rent in advance is rent paid before the period to which it applies. It is not an additional charge and does not increase the total rent payable under a tenancy agreement. Rent in advance is applied to future rental periods as rent becomes due. Rent in advance forms part of the renter's rent account balance and is not held separately. Rent in advance cannot be applied to non-rent charges.

Where a rent payment is missed or delayed, rent in advance will be applied to cover rent due.
The renter is expected to restore their rent account to the required level of rent in advance as soon as possible.

9. Service Charges

A service charge is charged in addition to rent that may be imposed when it's not possible or practicable to accurately measure individual use of a water, central heating, laundry or utility service or facility provided to a renter or resident. It must not exceed the cost of the service and may move up or down in line with cost changes.

What may be included

A service charge can cover utilities and facilities such as electricity, gas, water, laundry, hot water and hydronic/central heating, internet/Wi-Fi and common-area cleaning.

10. Rent Reviews

10.1.1 Market Rent Reviews

There are several ways Market Rent can be determined:

***Option 1* – Comparative Market Analysis (midpoint of range)** – the market rent value will be achieved by determining the range for similar properties in the area and calculating the midpoint of the range

***Option 2*- Comparative Market Analysis (average based on similar properties)** – an assessment comparing properties in a similar location with similar features and applying the average of those properties to determine a fair and reasonable market rent.

***Option 3* - Statewide Rent Index Adjustment Reviews** - Updates rent based on a government-set index that tracks overall rent movements across the state, ensuring consistency with broader rental trends and economic fairness.

Transitional Housing properties have their market rent determined by DFFH annually.
The Rent Payable will typically be less than 75% of the Market Rent valuation stated in the rental agreement (and may be further discounted by other rebate factors). A separate document attached to the rental agreement will outline the Rebate calculation and the Rent Payable. Any Service Charges payable will also be separately identified.

WHL will provide an RTA rent increase notice every 12 months in relation to an increase in the Market Rent.

WHL will comply with the provision in the RTA that relate to Market Rent reviews and Market Rent increase notices.

10.1.2 Rebate Adjustments

WHL will adjust Rebates for Social Housing as renter entitlements changes (for example, where Household Income changes). WHL will seek to review rental rebates at least once per year following bi-annual Centrelink increases. Renters will be required to provide up-to date evidence of income and entitlements for the purpose of these reviews.

A Rebate Adjustment will result in a proportionate change to the Rent Payable. This will take effect as soon as the renter is notified of the change by WHL.

WHL will provide renters with a clear and transparent explanation as to how their Rebate was calculated.

WHL is not required to issue a Consumer Affairs Victoria Notice of Proposed Rent Increase Form if the Rent Payable increases because of a Rebate Adjustment. Changes to Rent Payable can occur more than once a year

All renters have the right to ask WHL to review the way that WHL has determined their Market Rent or their Rent Payable and to provide them with a further explanation.

11. Hardship

If a renter contacts WHL and is facing financial hardship, WHL will apply its *Temporary Absence & Rental Hardship Policy*

Generally, changes to Market Rent or Rent Payable will only take effect on and from the date the renter contacted WHL and provided reasonable details of the change in the household circumstances. WHL may backdate changes in circumstances where WHL determines that the renter ought to be granted relief from hardship.

12. Affordable Housing Properties

Some properties are deemed Affordable Housing Properties and are not calculated based on income. Rent Payable in Affordable Housing is typically equal to 74.99% of the market rent (assuming there are no other factors affecting the Rebate). An affordability test may be applied to determine if the Household pays more than 30% of its gross income.

13. Renter Responsibilities

Renters are responsible for ensuring that their rent payments are accurate, up to date and paid in accordance with their Rental Agreement.
This includes:

- ensuring the rent paid is the correct amount and at the required frequency
- checking that payment arrangements (including Centrepay or other third-party payment methods) are correctly established and maintained
- monitoring their rent account balance and promptly addressing any underpayment or missed payments

Following a rent review, renters are responsible for:

- ensuring their rent payments are adjusted to reflect the reviewed rent amount from the effective date
- confirming that any automatic or third-party payment arrangements are updated accordingly

Failure to adjust rent payments following a rent review may result in rent arrears.

14. Procedures

Procedures established by WHL will include processes to ensure compliance with this policy, including:

- how to set and review Market Rent
- how to calculate Rebates and communicate the Rent Payable to renters
- the procedure for Rebate reviews
- informing applicants and renters about how Rent Payable is determined.

- ending tenancies
- how renters may ask for a determination of Market Rent or Rebate to be reviewed
- how to apply the hardship policy

15. Responsibilities

7.1 Board

- To be aware of this policy

7.2 Chief Executive Officer

- To be aware of this policy

7.3 Operations Manager

- To ensure that this policy is implemented correctly
- To be responsible for overall handling of complaints
- To maintain knowledge of change in policy or legislation relating to rent setting
- To ensure that procedures are modified when required

7.4 Tenancy Services Manager

- To ensure that tenancy workers apply rent setting and review procedures correctly and consistently
- To facilitate appropriate staff training
- To maintain knowledge of change in policy or legislation relating to rent setting
- To ensure that procedures are modified when required
- To update rent setting/review resources

7.5 Tenancy Team

- To be aware of this policy
- To apply this policy accurately and fairly
- To maintain records

16. Definitions

Term	Definition
Affordable Housing	Housing provided below market-rent so that it is affordable for low- and moderate-income households.
Community Housing	Rental housing managed by not-for-profit organisations for people on low to moderate incomes. Housing managed by community housing organisations may be owned by the organisation, owned by DFFH or rented from private rental providers with government funding.
CRA	Commonwealth Rent Assistance. Renters may be entitled to receive this payment from Services Victoria.
DFFH	The Victorian Department of Families, Fairness and Housing.

Family Tax Benefit	Two payments (A or B), either of which a renter may be entitled to receive from Services Australia.
Homes Victoria	A statutory entity existing under the *Housing Act 1983* responsible for all public, community and home finance programs funded by DFFH.
General Lease / Managed Service Agreement	A lease of properties from Homes Victoria to WHL to be managed as Social Housing on the terms of that lease.
Household/household members	People who reside in the rental property
Household Income	The combined income of all Household Members. Income from Household Members must be reported to WHL, as it is used to calculate the Rebate.
Market Rent	The amount of rent stated in the rental agreement which reflects what a similar property could be reasonably rented for on the open market in the same or similar location.
Public housing	Long-term rental housing managed by DFFH. It is for people on low incomes that are most in need, especially those who have recently experienced homelessness or have other special needs.
Rebate	A calculated reduction from Market Rent to the Rent Payable. WHL will calculate Rebates based on a number of factors, including Household Income, additional services or facilities provided, and CRA or family tax entitlements.
Rent Payable	Equal to the Market Rent less any calculated Rebate. This is the fraction of Market Rent that renters are expected to pay to WHL.
RTA	The Residential Tenancies Act 1997. This legislation governs residential rental arrangements in Victoria.
Residential Rental Agreement	A Residential Rental Agreement under the RTA which the rental provider and the renter(s) sign, setting out the rights and responsibilities of the rental provider and those of the renter.
Service charge	An amount charged in addition to Rent Payable where WHL provides notice to the renter. WHL can issue a service charge to recover the costs of providing a building with utility services or facilities that are not or cannot be separately metered. Service charges must be issued to renters in accordance with section 57 or 109A of the RTA.
Social housing	Low-cost housing which is subsidised.

Transitional Housing (THM)	The broad purpose of the THM program is to assist people in housing crisis to make the transition to longer term, secure and sustainable housing. This program provides short to medium term accommodation together with information and referral services and individual support where required.

17. Reviewing

Every two years following formal approval or earlier when required by changes in policy, regulation or law.

18. Related Policies and Documents

- Rent Arrears Policy
- Ending Tenancies Policy
- Cultural Safety Policy
- Family Violence Policy
- Privacy and Confidentiality Policy