

OPERATIONS: Social Housing Rent Policy

POLICY STATEMENT

Haven Home Safe (HHS) is committed to setting and reviewing rents and rental rebates fairly, transparently, and in accordance with legislative and regulatory requirements, to ensure affordability for Renters.

PURPOSE OF POLICY

The purpose of this Level 2 policy is to outline how HHS calculates Social Housing rents and manages income changes impacting rental calculations.

GUIDING PRINCIPLES

HHS is committed to providing affordable and sustainable Social Housing. Renters living in a property owned or managed by Haven Home Safe (HHS) are required to pay rent weekly or fortnightly, as set out in their Residential Rental Agreement. HHS will:

- Comply with all obligations under the *Residential Tenancies Act 1997* (Vic).
- Be accountable and transparent in the way rent is set, calculated and reviewed, including how rental rebates are determined.
- Provide clear and timely advice to Renters when Market Rents, Rental Rebates, household income or CRA changes affect the Weekly Rent Payable.
- Ensure that all Rent and Rental Rebate reviews are fair, consistent and sustainable for Renters, while being sensitive to Renters' changing circumstances to support housing stability.
- Minimise the accrual of Arrears, endeavour to prevent Arrears, and recover Arrears in accordance with the *Residential Tenancies Act 1997* (Vic).
- Protect and maintain privacy of Renter's personal and sensitive information in accordance with the *Privacy Act 1988* (Cth) and Centrelink client privacy and current control requirements.
- Understand that even small changes in Rental Rebates can have a big impact on a Renter's budget and their capacity to meet everyday living expenses.

SCOPE

This Policy and its associated SOPs apply to all Renters and Household Members living in, or applying for, Social Housing properties owned and/or managed by HHS.

This policy does not apply to properties delivered under:

- Specialist Disability Accommodation (SDA)
- Affordable Housing
- Transitional Housing Management
- Any other excluded special housing programs or individual property arrangements.

Recommended by: TOMI Working Group

Dec 2025

Approved by: Executive

Scheduled review:

Dec 2027

Policy level: 2 **Version:** v1.2

Risk Rating: MODERATE

This policy has been approved by Haven Home Safe CEO.

Signed:



Name/Position: Trudi Ray, CEO

15.12.25

RESPONSIBILITIES

| | |
|-----------------------------------|--|
| Executive | Approve policy |
| CBSO | Executive owner of this Policy |
| Snr Lead Housing Governance | Responsible for the administration of this Policy and associated SOPs, and for ensuring compliance with this <i>Policy</i> . |
| Operational and Finance Employees | <ul style="list-style-type: none"> • Responsible for tenancy management, rent setting, rent reviews, and rent administration. • Must report any issues of breaches of this Policy to their line manager and the Senior Lead, Housing Governance. |

DEFINITIONS

| | |
|------------------------------|---|
| Arrears | Accrued unpaid rental debt |
| Bond | A security deposit paid by the Renter at the start of a tenancy, at an amount equivalent to four (4) weeks Weekly Rent Payable. |
| CRA | Means Commonwealth Rental Assistance which is a government payment to help assist eligible Renters with rent. <u>Rent Assistance - Services Australia</u> |
| Household Composition | The people approved to live in a property that may include renters, residents and dependents. |
| Household Income | Total assessable income of all adult household members, including income for dependents. |
| Household Members | People other than the Renter who have been authorised by HHS to reside at the property |
| Market Rent | The rent payable for an equivalent property in a similar location as independently assessed by a qualified valuer or property professional. |
| Renter | The person or persons who sign a Residential Rental Agreement with HHS |
| Rental Rebate | Is the dollar amount of rebate that HHS applies, being the difference between the Market Rent and the amount of rent a Renter pays, based on gross household income. |
| Residential Rental Agreement | Is a legally binding contract between HHS and the Renter that outlines the terms, conditions and responsibilities for renting a residential rental property, in accordance with the Residential Tenancies Act 1997. |
| Social Housing | Short and long-term rental housing owned or managed by HHS, with eligibility determined by the Victorian Government |
| Weekly Rent Payable | Is the dollar amount of rent which will be charged to the Renter each week plus any additional costs (where applicable). |

DETAILS

Eligibility

Refer to HHS *Eligibility and Allocations Policy*.

Rent Setting

HHS sets Social Housing rents using income-based calculations and applies a Rental Rebate to ensure rent remains affordable for eligible Renters.

The Weekly Rent Payable is calculated between 25% to 30% of total gross household income, dependent upon the type of property allocation involved, plus 100% of Commonwealth Rent Assistance (CRA). The percentage applied is determined by HHS's contractual and funding obligations for each property type.

The Rental Rebate is calculated by assessing the total gross Household Income for all Renters* and Household Members aged 18 years and over, including their entitlement to CRA. The Rebate Amount is the difference between the percentage of household income and the Market Rent of the property. If the Market Rent of the property is less than the percentage of the total gross household income, the household will only pay the Market Rent amount.

* *Renters under 18 years in Head Lease properties pay the rent amount advised to HHS by our partner agencies.*

Renters in the TCP program pay a fixed rent of \$15 per week if under 18 years, and \$100 per week if over 18 years.

A detailed breakdown of how a Rental Rebate is determined is set out in the Residential Rental Agreement and is provided to Renters whenever a rental review or reassessment occurs.

When determining gross Household Income, HHS follows the Department of Health and Human Services Rent Setting and Operational Guidelines, the guidelines for registered housing agencies, together with the property type requirements. For more information, refer to:

[Rent setting and rebate operational guideline overview](#) [Guidelines for registered housing agencies \(Word\)](#)

Market Rent

Market Rent represents the amount a property could reasonably attract in the private rental market. It is determined annually by an independent valuer, or by using data obtained from Homes Victoria. The Market Rent amount is recorded in each Residential Rental Agreement.

Market Rent is reviewed annually and will not increase within the first 12 months of a tenancy. Renters will receive at least 90 days' written notice before a Market Rent increase takes effect, in accordance with the Residential Tenancies Act 1997. Renters will also be advised of the Market Rent review outcome each year, even if no change occurs.

Rent Management

At the commencement of a Residential Rental Agreement, Renters are required to pay a Rental Bond equal to four (4) weeks of the Weekly Rent Payable (excludes additional costs). Renters are advised of the exact Bond amount when a tenancy offer is made.

All Rental Bonds are lodged with the Residential Tenancies Bond Authority (RTBA) in accordance with the *Residential Tenancies Act 1997* (Vic). Renters may be eligible for assistance through DFFH Bond Loan Scheme or other financial assistance programs. HHS staff can provide information and guidance on how to apply.

In addition, HHS requires Renters to pay two (2) weeks of the Weekly Rent Payable (includes additional costs where applicable) in advance when signing their Residential Rental Agreement.

When rent payments are received by HHS, they will be allocated to Renter accounts in the following order (where applicable): Bond, Rent, Utilities, Arrears, Damages and Tenant Responsibility.

Renters may choose to pay their Weekly Rent Payable weekly or fortnightly, but payments must always remain two (2) weeks in advance and be made on time.

If a Renter is experiencing difficulty paying rent, they should contact their Tenancy and Property Manager as soon as possible to discuss payment options or support arrangements. Refer to HHS *Hardship Policy*.

The weekly rent payable can be paid through the following methods:

- CentrePay
- Direct Bank Transfer
- HHS Direct Debit
- In person at an HHS office

Additional Property Costs

Some properties will have additional rent charges and/or additional utility costs, each of which will be managed as set out immediately below.

Additional Rent Costs

Some properties may attract additional rental costs associated with shared facilities, such as common area cleaning, gardening, furniture, car parking, additional security measures and/or other services provided by HHS. Where a Renter is required to contribute towards any such costs, these will be:

- clearly identified and communicated to Renters before a tenancy offer is made,
- included in the Residential Rental Agreement
- included in the calculation of the total Weekly Rent Payable.

HHS will review any applicable additional rent costs during the rent review process, and notify Renters of any changes in writing.

Additional Utility Charges (Residential Tenancy Act 1997 (Vic) s109A)

Some properties have common or shared utilities and services such as water gas, electricity (that are not separately metered), central heating and/or laundry facilities/services. Where a Renter is required to contribute towards any such charges these will be:

- clearly identified and communicated to Renters before a tenancy offer is made
- included in the Residential Rental Agreement

- charged to the Renter *in addition to* the total Weekly Rent Payable.
- charged to the Renter using a s109A Notice in accordance with the *Residential Tenancy Act 1997 (Vic)*.

Household Income

Renters and applicants applying for housing are required to provide evidence of their total gross Household Income:

- Before a tenancy offer is made
- During a Renter-initiated rent review or Rental Rebate review, and
- Within 21 days of any change to Household Income or Household Composition (whether the change increases or decreases income).

Evidence may be provided via Centrelink's Income Confirmation Services or in writing.

If a Renter or Household Member has no income, HHS will assume eligibility for a standard Centrelink payment rate or equivalent in determining the Rental Rebate, until appropriate evidence is provided.

Rental Rebate Reviews

Rental Rebate reviews are a vital part of HHS operations. They ensure that the rent payable remains fair, accurate and consistent with the requirements of each property program, while ensuring assistance continues to support those most in need.

Rental Rebates are reviewed every six (6) months, or when requested by the Renter. Renters will receive written notice when a Rental Rebate review begins and will be given fourteen (14) days to provide updated income details for all Household Members.

HHS will use this information, along with the relevant property program requirements, to determine the appropriate Rental Rebate and calculate the new Weekly Rent Payable, if applicable.

Following the review, Renters will receive written notice of the outcome, including (where applicable) the date the new weekly rent will take effect. This date will be at least 30 days after the review is completed.

If the Weekly Rent Payable decreases, the change will be backdated to the date HHS was notified of the income change, or up to six (6) weeks prior to such notification, at HHS' discretion.

If the household's income no longer meets the eligibility criteria for the relevant housing program, HHS will apply full Market Rent and if applicable, review the household's ongoing eligibility for the program.

In cases where rental fraud or intentional non-disclosure is suspected, the Rental Rebate may be cancelled, and full Market Rent applied until accurate and verified information is provided.

Renters Paying Market Rent

Renters paying Market Rent will be notified annually of the Market Rent review outcome (even if no change occurs) and reminded to update their Household Income and household details.

If the renter's gross Household Income decreases, HHS will reassess the household's Rental Rebate and, if applicable, confirm any new weekly rent payable.

Preventing Debt & Recovering Rent Arrears

HHS aims to minimise the accrual of Arrears. HHS will:

- Endeavour to prevent Arrears and recover rent debt in accordance with the Act.
- Regularly monitor rental accounts and clearly explain payment expectations to renters throughout their tenancy.
- Clearly communicate to Renters in accordance with HHS's Rental Arrears Policy
- Negotiate an agreement to pay (ATP) for the repayment of Arrears in an amount that is manageable for the Renter and acceptable to HHS.

Renters should contact their TPM early if they are experiencing financial difficulty.

HHS, at its absolute discretion, may refuse a rental application from a person who has a history of vacated arrears where any such debts have not been satisfied.

Hardship

Renters must continue to pay their current rent during any period of absence from the property. However, where a Renter's income is reduced or they are required to pay for alternate accommodation for a set period of time not

exceeding 12 weeks a Renter can apply for consideration of hardship based on special or exceptional circumstances. (Refer to HHS' *Hardship Policy*)

RELATIVITIES

Relevant Legislation and Standards

- *Residential Tenancies Act 1997 (Vic)*
- *Housing Act 1983 (Vic)*
- *Privacy Act 1988 (Cth)*

- *Housing Registrar Performance Standard 1 (Tenancy & Housing Services)*
- *Charter of Human Rights and Responsibilities Act 2006 (Vic)*

Policies

- Operational Instrument of Delegation
- Eligibility and Allocations Policy
- Tenancy Management Policy and SOP
- Operations – Social Rental Process SOP
- Rent Calculation Form
- Hardship Policy and SOP

END

This policy replaces the following policies and associated SOPs:

- Rent Calculation
- Rental Bonds
- Rent in Advance
- Preventing Debt and Recovering Rent Arrears
- Rental Arrears