

## VINCENTCARE COMMUNITY HOUSING

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<b>Name:</b>	Rent Setting & Hardship (public facing policy)
<b>Authorised by:</b>	Policy Authorisation Committee
<b>Date effective:</b>	September 2022
<b>Due to be reviewed:</b>	September 2025

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## SECTION 1 – INTRODUCTION

### PURPOSE

This policy establishes the approach of VincentCare Community Housing (VCCH) to setting rents in its long-term rental housing programs.

VincentCare Victoria operates a diverse range of accommodation and support services for people experiencing disadvantage, and is committed to applying an appropriate duty of care to all people in contact with VincentCare services. This includes protecting people's personal and cultural safety regardless of ability, cultural background, ethnicity, gender identity, sexual orientation or religion.

### SCOPE

The Policy covers *VincentCare Victoria* and *VincentCare Community Housing*. Within this policy these entities are collectively referred to as "VincentCare".

This policy applies to long-term rental properties owned or managed by VincentCare Community Housing.

This policy does not apply to the following housing programs run by VincentCare Community Housing:

- Properties managed by VCCH under the Transitional Housing Program;
- Properties managed by VCCH under the Head Leasing Services Program;
- Temporary or crisis accommodation.
- Any properties in other excluded housing programs

The term 'renter' is inclusive of the term resident for the purpose of this policy.

### REVIEW CYCLE

This policy will be reviewed **every three years**. It will be modified or replaced whenever VincentCare becomes aware that this policy no longer complies with the requirements of the organisation or relevant legislation.

## SECTION 2 – POLICY

### 1 Principles

VincentCare Community Housing provides affordable rent to fulfil its social mission and to ensure that its housing relieves households from rental stress. As such, the following applies:

- The rent setting and review process is transparent, fair, promoted and consistently applied
- Charges to renters are compliant with all funding agreements and meet all State and Federal government requirements
- Rent charges are set at market rent then VCCH provides a subsidy based on household income so that rent is affordable in accordance with established affordability benchmarks.
- Some flexibility is allowed to respond to individual hardship and change of circumstance
- In order to maintain financial stability, renters are required to have an income to remain eligible for VCCH housing.
- The minimum rent chargeable will be equivalent to the rent for someone on JobSeeker Payment, even where actual income received is below this amount. In exceptional circumstances, e.g. where Youth Allowance is a household's main income, this rule may not apply.

### 2 Market Rent

To determine the rent that applies to a property, VCCH will generally carry out an independent open market rent valuation of all properties every three years.

VCCH may also adjust Property Rents based on a review of publicly available data on market rents for comparable properties. For properties owned by the Director of Housing and managed under a general lease, DFFH provides the market rent.

Market rent amounts will not exceed ATO benchmark rents.

### 3 Household rent/rental subsidy

VCCH applies the following approach to setting rent and determining rental subsidies:

The rent payable after the subsidy is provided is determined as:

25% of Gross Household Income
+ 15% Family Payments
+ 100% of eligible Commonwealth Rent Assistance (CRA) payable
= Total rent payable

Gross Household Income is determined in accordance with the DFFH Assessable Income guidelines [Rent setting and rebate operational guideline assessable income - DFFH Service Providers](#)

#### **4 Additional Property Costs**

In a number of properties there are additional costs which are a condition of occupancy. These costs will vary depending on the service provided at the individual property. Additional property costs may include:

- Electricity
- Gas
- Water
- Cleaning
- Gardening
- Laundry facilities

Additional property costs are identified and specified at the time of setting total amount payable and are reviewed annually. They are calculated based on the actual aggregated cost of provision of the services to VCCH.

#### **5 Provision of information about household income**

- Proof of income of all household members is required in order to calculate the rebate assessable amount. If a household does not provide proof of all income, no rebate can be calculated and market rent will be charged.
- Documentation covering all income over the twelve (12) week period prior to the rental agreement sign up/ income review is required. If a household member has an irregular income, the income should be assessed by averaging the income over the 12 weeks
- If a household member is eligible to receive a Centrelink payment, the rebate will be calculated as if that payment is being received, regardless of whether the household is actually receiving that income or not. Renters are encouraged to apply for all the payments they are entitled to.
- If a renter's household income or family circumstances change at any time, the renter must advise VCCH and provide evidence of this change within 14 days. The household income will be re-assessed, and the rent subsidy will be recalculated.

#### **6 Reviews of Rent Subsidy**

VCCH will provide renters with a clear and transparent explanation as to how their rent subsidy has been calculated. Review of household incomes and rent subsidies are conducted every 12 months, when there is a change in household circumstances, or at renter request.

#### **7 Hardship and Change of Circumstances**

VCCH recognises that renters may experience changes in household circumstances that may lead to financial hardship.

In circumstances of financial hardship, VCCH may provide a combination of financial and non-financial assistance to help renters in sustaining long-term tenancies.

- Immediate (non-financial) support is provided through information and referral to support agencies and services including material aid and financial counselling
- Financial support will be provided in the form of a rental subsidy review, in line with this policy. Renters may request a rental review whenever their circumstances change.

## SECTION 3 – PROCEDURE

Any procedures established by VCCH in relation to rent setting and hardship will ensure compliance with this policy.

## SECTION 4 – REFERENCES

### DEFINITIONS

Word/Term	Definition
DFFH	Department of Families, Fairness and Housing
CRA	Commonwealth Rent Assistance
RTA	Residential Tenancies Act
THM	Transitional Housing management

### RELATED EXTERNAL REFERENCES

Name	Link
Homelessness Assistance Guidelines	<a href="https://dhhs.vic.gov.au/sites/default/files/documents/201705/Homelessness-Programs-Guidelines-and-Conditions-of-Funding-May-2014.pdf">https://dhhs.vic.gov.au/sites/default/files/documents/201705/Homelessness-Programs-Guidelines-and-Conditions-of-Funding-May-2014.pdf</a>
Housing Registrar Performance Standards	<a href="http://www.housingregistrar.vic.gov.au/files/assets/public/publications/performance-standards-and-evidence-guidelines/current-performance-standards.pdf">http://www.housingregistrar.vic.gov.au/files/assets/public/publications/performance-standards-and-evidence-guidelines/current-performance-standards.pdf</a>
Residential Tenancies Act 1997	<a href="http://www8.austlii.edu.au/cgi-bin/viewdb/au/legis/vic/consol_act/rta1997207/">http://www8.austlii.edu.au/cgi-bin/viewdb/au/legis/vic/consol_act/rta1997207/</a>

## SECTION 5 – GOVERNANCE

### RESPONSIBILITY

Process Owner	State Manager Housing
Content Holder/s	Housing Program Managers
Recommending body	Quality Committee
Endorsed by	Policy Authorisation Committee

### CHANGE HISTORY

Version	Effective Date	Author	Change
1	November 2020	General Manager Housing	New Policy
2	August 2022	State Manager Housing	Revised and updated to reflect RTA changes made effective March 2021. Removal of detailed Procedures. Update of external references.