

Williamstown Rental Housing Co-operative Policy Document

Policy Number:	021
Policy Name:	Rent Setting
Version Number:	03
Date approved by Board:	15/09/2019
Date reviewed by Board:	27/08/2019
Scheduled review date:	27/08/2021

1. Introduction

Williamstown Rental Housing Co-operative Ltd. (WRHC) is a registered Housing Provider in the state of Victoria. WRHC manages properties on behalf of the Department of Health and Human Services (DHHS) through a General Lease Agreement. WRHC is the landlord of these properties and is responsible for all aspects of property and tenancy management.

2. Purpose

This policy establishes the approach of Williamstown Rental Housing Co-operative Ltd. to setting rents.

3. Scope

This policy applies to all rental properties managed by WRHC.

4. Relevant Co-op Objectives

WRHC sets rents and provides subsidies to ensure that its housing remains affordable and relieves households from rental stress in comparison to the private rental market.

5. Policy

WRHC will:

- calculate rent and determine rental subsidies in accordance with established affordable housing benchmarks;
- communicate clearly to applicants and tenants as to how WRHC sets and reviews rent;
- respond appropriately to changes in household circumstances to prevent undue hardship;
- comply with its contractual, legal and regulatory obligations relating to affordability of rent; and
- ensure the maximum rent payable by a household will be no more than 75% of the Market Rent as determined by DHHS.

Determining the Market Rent that applies to a property

The market rent of a property is determined by the advice provided by the Independent Valuer contracted by DHHS.

Tenants will be encouraged and supported to utilise Consumer Advice Victoria (CAV) where a dispute on the market rent valuation arises. WRCH will accept the outcome of the CAV valuation.

Maximum Rent Payable

The maximum contribution a tenant will be asked to pay towards the market rent will be no more than 75% of the Market Rent valuation as determined by the independent valuation provided by DHHS.

Reduced Rent Payable calculations:

Reduced rent payable is defined as the tenant's contribution towards the market rent of the property and to not exceed 75% of the maximum rent payable.

Reduced Rent Payable will be determined as the combined total of:

- 25% of Gross Household Income plus;
- 15% Family Payments plus; and
- Eligible Maximum Commonwealth Rent Assistance.

Where the Reduced Rent Payable calculation is higher than 75% of the Market Rent of a property the lower amount will be deemed the Reduced Rent Payable.

Household Income information

Tenant members and applicants are responsible for ensuring WRHC is able to gain reasonable evidence that establishes their total gross household income when requested by WRHC:

- before being offered a tenancy with WRHC; and
- when WRHC carries out a rent review / determines rental subsidies.

WRHC reserves the right to remove a rental subsidy if the tenant member does not provide the information within the time frame requested.

The reinstating of a rental subsidy will take effect from the date the tenant contacted WRHC and provided reasonable details of the household income.

WRHC may agree to back-date changes in rent and rental subsidies in circumstances where hardship has been caused by this policy.

6. Responsibilities

Reduced Rent Calculations: The Housing Administrator and Finance Administrator are responsible for ensuring that rents and subsidies are calculated in accordance with this policy

Household Income Information: Tenants are responsible for ensuring that the information required to adhere to this policy is provided to WRHC in the time frame in which it is requested. Information includes but is not limited to the household member's details and all household income details.

Rent Assistance: WRHC is responsible for ensuring tenants have the required information to receive the correct rent assistance. Tenants are responsible for ensuring that the information is provided to Centrelink.

7. Definitions

In this policy:

Market Rent	The Rent payable for the property in the Private Rental Market and for the purposes of a rent increase as defined in the Residential Tenancies Act 1997.
Reduced Rent Payable	Means the subsidised tenant's contribution towards the Market Rent as calculated in accordance with this policy
Gross Household Income	Gross Household Income is determined in accordance with the DHHS Assessable Income guidelines , (includes but not limited to Wages, Salaries, Centrelink Benefits, Maintenance Payments).

8. Related Documents

Policy 09 Rent Arrears
Policy 12 Ending Tenancy
Policy 13 Tenant Selection and Allocation
Policy 14 Tenant Complaint

Legislation and standards

This policy implements the obligations of WRHC under:

- Housing Act 1983 (Vic)
- [Guidelines for Registered Housing Agencies published by DHHS](#)
- Performance Standards for Registered Housing Agencies

Transparency and accessibility

This policy will be available on the WRHC website www.williamstownhousingcoop.org.au