 ACCESS 2 PLACE HOUSING	<h1>RENT POLICY</h1>		Policy Number	FI04
			Version	2
			Date	December 2019
			Review Date	December 2021

1. Purpose

The Rent Policy supports Access 2 Place Housing (A2P) to:

- Calculate and manage rents in accordance with the policy guidance set out by the [South Australian Housing Authority \(SAHA\) Community Housing Rent Policy](#); and
- Identify A2P specific rent management policy and procedure requirements.

2. Context

Community housing providers registered under the [Community Housing Providers \(National Law\) \(South Australia\) Act 2013](#) offer accommodation for tenants in both social housing and affordable housing rental market. This rent policy provides an overarching framework for setting rents based on the Tenancy Type across a community housing provider's property portfolio.

Rent setting methodology, to which community housing providers must adhere (where applicable) is specified in the following directive documents:

- [Community Housing Rent Policy](#)
 - Addendum 1 – [Community Housing Rent Procedure for General Tenancies](#)
 - Addendum 2 – [Community Housing Rent Procedure for Supported Tenancies](#)
 - Addendum 3 – [Community Housing Rent Procedure for Affordable Tenancies](#)
 - Addendum 4 – [Community Housing Rent Procedure for NDIS-SDA Tenancies](#)

3. Scope


This policy applies to:

- community housing tenants living in properties subject to or bound by a Community Housing Agreement between a community housing provider and the South Australian Housing Trust (SAHT) including the Master Community Housing Agreement (Master Agreement) and Project Agreements,
- any other agreement or lease which is specified in the [South Australian Housing Authority \(SAHA\) Community Housing Rent Policy](#).
- A2P freehold properties.

4. Risk

If A2P does not have a rent policy that aligns with the SAHA directive documents, the affordability of rents for tenants is potentially compromised and A2P is at considerable risk of non-compliance with regulatory requirements.

In addition, rent revenue is a primary source of income for A2P and facilitates the achievement of many organisational goals such as providing timely responsive maintenance, planning for property upgrades and acquiring and developing new housing stock. The ongoing viability of the organisation could be compromised if rents payable by tenants are not calculated correctly and paid accordingly.

	<h2>RENT POLICY</h2>	Policy Number	FI04
		Version	2
		Date	December 2019
		Review Date	December 2021

5. Policy Detail

5.1. General Policy

- 5.1.1. A2P will assess and manage rent payable in a consistent and structured approach to ensure accuracy and equity within rent payable calculations, reviews and arrears.
- 5.1.2. Staff are required to assess, calculate and manage rent payable by tenants in accordance with this *Policy* and the *A2P Rent Procedures*.
- 5.1.3. A copy of the calculation formula used to determine a rent payable amount will be provided to tenants upon request.

5.2. Market Rent

Market Rent (as further defined at paragraph 7 below) is the maximum rent payable that A2P can charge for a rental property. The Market Rent for all A2P properties will be set by the Valuer-General annually or a licensed valuer.

The current Market Rent value of all A2P properties will be entered on Chintaro and updated as required.

5.3. A2P Freehold Properties

Subject to Paragraph 5.2, all A2P properties that are freehold a rent payable will be set at an amount determined at the discretion of A2P.

5.4. National Rental Affordability Scheme (NRAS)

For all A2P properties that have been constructed under the NRAS, rent will be charged at a rate that is no more than 80% of the Market Rent for as long as NRAS applies, as determined under the NRAS.

5.5. SAHA Community Housing Rent Policy – Tenancy Types

A2P must assign a Tenancy Type to each tenancy, being cognisant of the Portfolio Profile obligations set out in the Master Agreement. The Master Agreement sets out in Annexure A, the Portfolio Profile that must be maintained by A2P and stipulates the number of tenancies that must be of General, Affordable and Supported Tenancy Types. The Tenancy Type dictates the rent policy that is applicable and the rent that can be charged.

- **Affordable Tenancy Type**

A2P currently has Affordable tenancies as part of its portfolio. A2P must assess and set rent for Affordable Tenancy Types in accordance with the Affordable Tenancy Type section in the [South Australian Housing Authority \(SAHA\) Community Housing Rent Policy](#) and the [Community Housing Rent Procedure for Affordable Tenancies](#).

	<h2>RENT POLICY</h2>	Policy Number	FI04
		Version	2
		Date	December 2019
		Review Date	December 2021

- **Specialist Disability Accommodation (SDA) Tenancy Type**

A2P currently has SDA tenancies as part of its portfolio. Where SDA funding is received by a tenant under the National Disability Insurance Scheme (NDIS), A2P must set rents according to the Specialist Disability Accommodation Tenancy Type section in the [South Australian Housing Authority \(SAHA\) Community Housing Rent Policy](#) and the [Community Housing Rent Procedure for NDIS-SDA Tenancies](#).

- **General Tenancy Type**

A2P does not currently have General Tenancy Types as part of its property portfolio. However, should A2P add General properties to its portfolio, it must assess and set rent for General Tenancy Types in accordance with the General Tenancy Type section in the [South Australian Housing Authority \(SAHA\) Community Housing Rent Policy](#) and the [Community Housing Rent Procedure for General Tenancies](#).

- **Supported Tenancy Type**

A2P does not currently have Supported Tenancy Types as part of its property portfolio. However, should A2P add Supported properties to its portfolio, it must assess and set rent for Supported Tenancy Types in accordance with the Supported Tenancy Type section in the [South Australian Housing Authority \(SAHA\) Community Housing Rent Policy](#) and the [Community Housing Rent Procedure for Supported Tenancies](#).

Refer to the *Policy Details* section of the [South Australian Housing Authority \(SAHA\) Community Housing Rent Policy](#) if more information is required about tenancy types and property portfolios.

- **Exceptions**


The Master Agreement provides for Project Agreements to stipulate special conditions under special circumstances. In the rare instance that it is agreed that a Project Agreement will override this Rent Policy, it will clearly articulate that agreement in the special conditions. Refer to the Exceptions section in the [South Australian Housing Authority \(SAHA\) Community Housing Rent Policy](#) for more information.

5.6. Affordable Tenancy Type - Rent Calculation

A2P will charge all Affordable tenancy households a maximum rent that is no more than the total of:

- (a) 25%¹ of gross non-Commonwealth Rent Assistance (CRA) income; and
- (b) All CRA income available to that household;

¹ A2P has the flexibility to choose to set the limit of 25% gross income rather than the 30% limit identified in section 3.2 of the Community housing rent procedure for affordable tenancies.

	<h2>RENT POLICY</h2>	Policy Number	FI04
		Version	2
		Date	December 2019
		Review Date	December 2021

Note 1: Income is subject to some exclusions, for more information sa.gov.au identifies assessable and non-assessable income types for public and community housing [here](#).

Note 2: Additional services levies cannot be charged in addition to the maximum rent.

Note 3: Where required, A2P may choose to charge rent to tenant households below the maximum rent figure, see section 5.1.6 *Minimum Income* of the *A2P Rent Procedure*.

5.7. Specialist Disability Accommodation (SDA) Tenancy Type - Rent Calculation

A2P must apply, to all SDA properties in its portfolio, the Reasonable Rent Contribution (RRC) requirements established by the NDIS and outlined in the most current version of the SDA Addendum to the NDIS Terms of Business for Registered Providers.

Additional Service Levies are not able to be charged to Tenancies under this procedure.

If the participant receives the Disability Support Pension, the RRC to be paid by the participant must not exceed an amount that is:

- 25% of basic rate of the Disability Support Pension;
 - Plus: if the participant receives a pension supplement – 25% of the pension Supplement received;
 - Plus: if the participant receives a Youth Disability Supplement – 25% of the Youth Disability Supplement received.
- Plus if the participant receives Commonwealth Rent Assistance - 100 per cent of Commonwealth Rent Assistance received.

If the participant does not receive the Disability Support Pension (i.e. received any other form of income) – the RRC must not exceed an amount which is:

- 25% of basic rate of the Disability Support Pension;
- Plus 100% of any Commonwealth Rent Assistance received by the participant.

In exceptional circumstance a participant may choose to make a discretionary contribution over the RRC, refer to *Addendum 4 – [Community Housing Rent Procedure for NDIS-SDA Tenancies](#)* for more [information](#).


5.8. Commencement of Rent Charge and Bond

5.8.1. All A2P tenants are required to pay rent on a fortnightly basis.

5.8.2. All tenants have the following rent and bond responsibilities. These responsibilities will be explained to each tenant at the commencement of a Residential Tenancy Agreement.

5.8.2.1. Rent is to be paid fortnightly.

- Rent will be charged two weeks in advance, from the date of signing of the Residential Tenancy Agreement.

	<h2>RENT POLICY</h2>	Policy Number	FI04
		Version	2
		Date	December 2019
		Review Date	December 2021

5.8.2.2. Bond is to be paid prior to moving into an A2P property. Bond will be assessed by A2P and payable by the tenant as:

- Up to four weeks rent if weekly rent is \$250 or less.
- Up to six weeks if weekly rent is \$251 or more.

Note: While it is preferable that a tenant pays bond and rent in accordance with section 5.8.2 of this Policy, there may be situations where a tenant is ready to move in to an A2P property but is unable to pay all or part of any initial payments. In such circumstances, a payment arrangement may be negotiated (if appropriate) however, the approval of the Operations Manager must be sought prior to the tenant signing the Tenancy Agreement.

5.9. Rental Payments

Tenants will be offered a choice of rental payment methods. The preferred choice of payment is Centrepay.

5.9.1. Centrepay Rent Deduction Scheme;

- Tenants who choose this scheme will be required to complete the prescribed application form and either lodge it themselves or have it lodged by a staff member on their behalf.

5.9.2. Direct Debit into an A2P specified bank account;

5.9.3. Cheque

- Where rent under a Residential Tenancy Agreement is paid in person by cheque, the person who receives the payment must make a receipt available for collection by the tenant or post it to the residential premises of the tenant.

5.10. Responsibility for Rent Payable Matters


5.10.1. The person(s) named on the Residential Tenancy Agreement are legally responsible for ensuring the payment of rent charged.

Given this, it is the responsibility of the person(s) named on the Residential Tenancy Agreement to:

5.10.1.1. Determine how the total rent charge should be apportioned between all household members; and

5.10.1.2. Ensure other household members:

- Meet their obligations (if any) in contributing towards rent payment; and
- Provide appropriate proof of income when requested.

	<h2>RENT POLICY</h2>		Policy Number	FI04
			Version	2
			Date	December 2019
			Review Date	December 2021

5.11. Rent Reviews

A review of tenant(s) incomes will be undertaken at least annually (see notes) to determine if there are any changes required to the amount of rent payable for the property. Annual rent reviews will occur as soon as practicable following CPI adjustments to Centrelink benefits and allowances that occur annually in September.

Rent payable will be calculated according to the circumstances and income of the household at the time of the review.

Note 1: Rents reviews may be conducted more frequently than annually by A2P, if required, but no more frequently than allowed under the Residential Tenancies Act 1995 or other applicable legislation (e.g. NRAS).

Note 2: Households with fluctuating incomes, or self-employed persons may request their rent payable amount be reviewed more often (e.g. every 3 months), to support the rent charged continues to reflect actual income received. (Refer to sections 5.1.7 *Fluctuating Income* and 5.1.8 *Self Employed Income* of the *A2P Rent Procedure* for more information).

5.11.1. At every review, the tenant(s) named on the Residential Tenancy Agreement must provide current proof of income for all members of the household.

Note: sa.gov.au identifies [here](#) what documents can be used by applicants and tenants to provide proof of income.

5.11.2. Tenant(s) that do not provide proof of their circumstances and income within one month of a rent review request will be charged Market Rent. The CEO must give approval before the charging of Market Rent commences.

5.12. Notice Required for Changes in Rent

5.12.1. A2P will pass on rent **increases** no later than 14 days after a notice of increase is given to a tenant.

Where a rent increase occurs due to changes in a household's circumstances, section 55 of the Residential Tenancies Act 1995 allows for these changes to be passed on 14 days after notice of the increase is given. There is no restriction on the number of increases in Income Based Rent that can occur because of a change in household circumstances (i.e. there can be many changes within a 6-month period); UNLESS

Under section 55 of the Residential Tenancies Act 1995, households must be given 60 days' notice of a change in the basis for determining rent charged i.e. where a change in government policy results in an increase in Income Based Rent, or where the Market Rent valuation increases.

5.12.2. Where a tenant is eligible for a decrease in rent because there has been a reduction in their income, A2P will pass on rent **decreases** from the next rent period after a change in a tenant's income circumstances occurred. Except where a rent has been incorrectly assessed by A2P (refer to section 5.3 *Incorrect Rent Assessments Procedure* of the *A2P Rent Procedure*).

A2P is not obliged to backdate rent decreases more than 30 days but may do so where both the tenant and the organisation are in agreeance.

	<h1>RENT POLICY</h1>	Policy Number	FI04
		Version	2
		Date	December 2019
		Review Date	December 2021

5.13. Rent Payable Hardship

5.13.1. Payment Plans

Where a rent increase results in a tenant having difficulties in paying rent, the Senior Finance Officer will work with the tenant (and the Operations Manager where required) to identify a suitable payment arrangement. Payment arrangements will be determined on a case by case basis.

5.13.2. Domestic Violence

A2P must take into consideration whether there is an intervention order in place and ensure any actions regarding rent arrears do not disadvantage the tenant or put the tenant at risk. Where applicable, staff are required to act in accordance with the *Intervention Order Notifications Procedure*.

5.14. Rent and Other Arrears

5.14.1. A2P will manage rental arrears in a timely, fair and consistent manner to ensure that all tenants are treated equitably; and to support prompt and effective action to remedy rent arrears to reduce the risk of tenants experiencing financial hardship (refer to section 5.5 *Rent Arrears Procedure* of the *A2P Rent Procedure*).

5.14.2. Any information regarding individual and/or household tenant rental payments, collection or arrears will not be divulged or shared with any other party unless the tenant has given written consent or unless there is a legal obligation to do so.

5.14.3. A2P will include information on rental arrears in the A2P Tenancy Guide to ensure tenants are aware of tenant and landlord responsibilities.

5.15. Rent Responsibilities

<p>Senior Finance Officer</p>	<ul style="list-style-type: none"> • The overall management of rent payable - setting, calculation, collection and record keeping. • Rent arrears <ul style="list-style-type: none"> ▪ Decisions must be made on the basis of evidence. ▪ All documentation concerning action on rent arrears will be signed by the CEO • Management of debt collection. • Keeping copies of all written correspondence in relation to rent payments to and from the tenant, together with details of any phone calls made or received.
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RENT POLICY

Policy Number	FI04
Version	2
Date	December 2019
Review Date	December 2021

	<ul style="list-style-type: none"> • Ongoing development and review of a Finance Standard Operating Procedures to support the <i>Rent Policy</i>. • Monthly reporting to the CEO containing: <ul style="list-style-type: none"> ▪ the identification number of those tenants who owe overdue rent (any rent not fully paid in advance on the due date is overdue) ▪ the amount of overdue rent for each tenant ▪ the number of weeks of overdue rent for each tenant ▪ information on which of the above tenants have been sent notices, and what type of notices ▪ details of any arrangements made with tenants to pay rent in instalments (how much, how often etc.). • Preparation of a summary report to be included in board papers for discussion containing segmentation of debtors and aging of outstanding debt. • Recommendations to the Operations Manager of any tenancy where an order for vacant possession is likely to take place. • Advising the CEO of all action taken with respect to the management of rent arrears.
Operations Manager	<ul style="list-style-type: none"> • Supporting the Senior Finance Officer with decision making in relation to rent arrears, where required. • SACAT applications. • Ongoing development and review of tenancy related Procedures to support the <i>Rent Policy</i>.
The CEO	<ul style="list-style-type: none"> • Providing guidance to the Operations Manager and Senior Finance Officer on all aspects of rent payable matters, when required. • Reporting to the Board on rent arrear matters.
All Staff	<ul style="list-style-type: none"> • Are required to act in accordance with this Policy and the <i>A2P Rent Procedure</i>.

5.16. Occupancy Standards and Minimum Rent

A2P currently does not set a minimum rent for a property based on an occupancy standard.

5.17. Eviction

There may be situations where a failure to pay rent results in the eviction of a tenant. The A2P mission is grounded in the intention to provide tenants with sustainable tenancy management services, this means that in general, A2P will only pursue eviction as a last resort. When navigating evictions, all staff are required to act in accordance with the *A2P Termination of Tenancy Policy*.

5.18. Administration

	<h2>RENT POLICY</h2>	Policy Number	FI04
		Version	2
		Date	December 2019
		Review Date	December 2021

5.18.1. A2P will produce rent records in a format acceptable to the Residential Tenancies Tribunal.

5.18.2. Centrelink eServices

It is A2P's preference that all A2P tenants give permission for A2P to receive electronic confirmation of tenant's income from Centrelink eServices.

- Centrelink requires A2P to collect authorisation from the tenant in order to access the tenant's payment details.
- All Tenancy Agreements will contain information on Centrelink eServices permission as a condition of tenancy.

5.19. Quality Assurance

The Senior Finance Officer will select a random 5% sample of rent assessments every six months to support quality control in how rents are being calculated.

6. Procedure

The policy settings of this document inform the *A2P Rent Procedure*.

7. Definitions

The follow definitions are used in this Policy and/or the A2P Rent Procedure:

Bond is a security deposit paid at the start of the tenancy.

Breach refers to when an agreement or directive is broken (usually referring to a broken Tenancy Agreement).

Clear days Midnight to midnight (Residential Tenancies Act definition)


Form 2 is a "Notice by Landlord to Tenant to Remedy a Breach of Tenancy Agreement / Notice of Termination". A Form 2 is a prescribed notice under the Residential Tenancies Act 1995 to be used by landlord (Co-operative or Association) when tenant has broken their tenancy agreement, requesting the tenant to remedy the breach.

Household includes any person residing at the property and listed on the Tenancy Agreement regardless of age or relationship.

Income Based Rent refers to a subsidised rent charge based on eligible households' capacity to pay, in accordance with this policy.

Market Rent refers to the maximum rent that may be charged for a Community Housing property. Market Rents are set by the Valuer-General annually and are advised at the beginning of each financial year.

Minimum Income refers to situations where any household occupant is receiving less than the full Centrelink benefit entitlement applicable to their age and circumstances.

	<h2>RENT POLICY</h2>	Policy Number	FI04
		Version	2
		Date	December 2019
		Review Date	December 2021

Order for Payment Plan is an arrangement set by the SA Civil and Administrative Tribunal (SACAT) for the tenant to pay rent arrears in instalments. The arrangement includes dates and amounts, and these can only be changed by the Residential Tenancies Tribunal.

Rent arrears refers to any part of rent which remains unpaid 14 clear days after the due date according to the Tenancy Agreement. Rent is paid in rent periods (usually fortnights), not per day. Partial payment of rent does NOT bring the tenant up to part-way through a rent period. If only a partial rent payment is made, then 14 days after the due date, the tenant can be sent a Form 2 requesting full payment of money owed.

Rent due date is the date on which rent is to be paid in full and in advance according to the Tenancy Agreement.

Rent payable is the Assessed Rent.

Tenancy Agreement is the agreement signed by both the tenant and the Co-operative/Association, outlining the rent periods (usually fortnights), rent amount due per rent period, and other conditions of tenancy.

Vacant Possession refers to where the landlord requires possession of the property, so the tenant must vacate.


8. Reference Documents and Links

8.1 Directive Documents

- [Community Housing Rent Policy](#)
 - *Addendum 3 – [Community Housing Rent Procedure for Affordable Tenancies](#)*
 - *Addendum 4 – [Community Housing Rent Procedure for NDIS-SDA Tenancies](#)*
- Residential Tenancies Act 1995 (SA)
- Community Housing Providers (National Law) (South Australia) Act 2013
- National Regulatory System Community Housing- Regulatory Framework
- NDIS Terms of Business for Registered Providers
- Specialist Disability Accommodation Addendum to the Terms of Business for Registered Providers

8.3 Related Documents and Resources

- [Addendum 1 – *Community Housing Rent Procedure for General Tenancies*](#)
- [Addendum 2 – *Community Housing Rent Procedure for Supported Tenancies*](#)
- *A2P Rent Procedure*
- *Intervention Order Notification Procedure*

	<h2>RENT POLICY</h2>	Policy Number	FI04
		Version	2
		Date	December 2019
		Review Date	December 2021

9. Policy Approval

Content Author:	Delegated Authority: Board
Date: Nov 2019	Date approval given in minutes: Wednesday 27 th November 2019
Name: Rebecca Chapman Position: Policy Adviser	

10. Revision History

Date	Version	Author / Amended By	Comments / Review History
May 2016	1	Lyndi Gepp	Original Draft of 311 Rent Management Policy (with procedures) and G312 Minimum Rent Policy
Nov 2019	2	Rebecca Chapman	Review and significant changes to content. G312 Minimum Rent Policy included in this policy. Collaborative review with Operations Manager, CEO and Finance. Includes changes to rent policy by SA Housing Authority 16/05/2019
Jan 2020	2	Rebecca Chapman	Minor changes to 2 sections from staff member feedback.